

**138.530 Administration and collection of tax -- Remittances -- Reports -- Books -- Records -- Distribution of tax revenue generated under KRS 138.513.**

- (1) The department shall enforce the provisions of and collect the tax and penalties imposed and other payments required by KRS 138.510 to 138.550, and in doing so it shall have the general powers and duties granted it in KRS Chapters 131 and 135, including the power to enforce, by an action in the Franklin Circuit Court, the collection of the tax, penalties and other payments imposed or required by KRS 138.510 to 138.550.
- (2)
  - (a) The remittance of the taxes imposed by KRS 138.510 shall be made weekly to the department no later than the fifth business day, excluding Saturday and Sunday, following the close of each week of racing, during each race meeting, and following the close of each week when historical horse races are conducted, and shall be accompanied by reports as prescribed by the department.
  - (b) Except as otherwise provided in KRS 138.510 to 138.550, all funds received by the department from the taxes imposed by KRS 138.510 shall be paid into the State Treasury and shall be credited to the general fund.
  - (c) The supervisor of pari-mutuel betting appointed by the corporation shall weekly, during each race meeting, and during each week when historical horse races are conducted, report to the department the total amount bet or handled the preceding week and the amount of tax due the state thereon, under the provisions of KRS 138.510 to 138.550.
  - (d) The supervisor of pari-mutuel betting appointed by the corporation or his or her duly authorized representatives shall, at all reasonable times, have access to all books, records, issuing or vending machines, adding machines, and all other pari-mutuel equipment for the purpose of examining and checking the same and ascertaining whether or not the proper amount or amounts due the state are being or have been paid.
  - (e) Every person, corporation, or association required to pay the tax imposed by KRS 138.510 shall keep its books and records so as to clearly show by a separate record the total amount of money contributed to every pari-mutuel pool.
- (3)
  - (a) The remittance of the tax imposed by KRS 138.513 shall be made weekly to the department no later than the first business day of the week next succeeding the week during which the wagers forming the base of the tax were received.
  - (b) Along with the remittance of the tax, each advance deposit account wagering licensee shall file a return that includes the information required by the department.
  - (c) Every advance deposit account wagering licensee shall keep its books and records in such a manner that:
    1. Kentucky residents having accounts with the advance deposit account wagering licensee can be individually identified and their identity and residence verified; and

2. The amount wagered through each account held by a Kentucky resident and the date of each wager can be determined and verified.
- (d) All books and records of the advance deposit account wagering licensee required by paragraph (c) of this subsection and any books and records that the department requires a licensee to maintain through promulgation of an administrative regulation shall be open to inspection by the department and the corporation.
- (e) All revenue received by the department from the tax imposed by KRS 138.513 shall be distributed as follows:
1. Fifteen percent (15%) shall be distributed to the Commonwealth and credited to the general fund; and
  2.
    - a. Eighty-five percent (85%) of revenue received from a wager placed on a race conducted at a track in Kentucky shall be distributed to the association that conducted the race;
    - b. Eighty-five percent (85%) of revenue received from a wager placed on a race conducted at a track outside Kentucky shall be distributed to the Kentucky track that is recognized as the host track by the corporation at the time the wager is placed. However, if a wager subject to the tax imposed by KRS 138.513 is placed on a race conducted at a track outside Kentucky, and the individual placing the wager has registered an address with the advance deposit account wagering licensee that is within twenty-five (25) miles of a Kentucky track, the association licensed by the corporation to operate that track shall receive the tax revenue derived from that wager; and
    - c. An association receiving distributions under subdivisions a. and b. of this subparagraph shall allocate one-half (1/2) of the amount distributed to its purse account.

**Effective:** July 1, 2024

**History:** Amended 2024 Ky. Acts ch. 171, sec. 46, effective July 1, 2024. -- Amended 2014 Ky. Acts ch. 102, sec. 9, effective April 10, 2014. -- Amended 2010 Ky. Acts ch. 24, sec. 108, effective July 15, 2010. -- Amended 2009 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 108, effective June 26, 2009. -- Amended 2005 Ky. Acts ch. 85, sec. 391, effective June 20, 2005. -- Amended 2004 Ky. Acts ch. 191, sec. 49, effective July 13, 2004. -- Amended 1998 Ky. Acts ch. 237, sec. 2, effective July 15, 1998. -- Amended 1992 Ky. Acts ch. 109, sec. 9, effective March 30, 1992. -- Created 1948 Ky. Acts ch. 35, sec. 3.

**Legislative Research Commission Note** (4/10/2014). 2014 Ky. Acts ch. 102, sec. 39 provides that the amendments to this statute made in 2014 Ky. Acts ch. 102, sec. 9, shall apply retroactively beginning September 1, 2011.