

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7042**

**BILL NUMBER:** HB 1402

**NOTE PREPARED:** Jan 8, 2007

**BILL AMENDED:**

**SUBJECT:** Slot machines.

**FIRST AUTHOR:** Rep. Reske

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** \_\_\_ **GENERAL**  
                          **DEDICATED**  
                          **FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** Authorizes slot machines at racetracks and satellite facilities in Indianapolis and Fort Wayne. Limits a permit holder who offers slot machines to the number of satellite facility licenses issued to the permit holder before January 1, 2007. Requires the satellite facilities in Indianapolis and Fort Wayne to be jointly operated by the permit holders. Imposes a state wagering tax of 32.5% on the first \$150,000,000 of annual adjusted gross receipts and 37.5% on the annual adjusted gross receipts exceeding \$150,000,000. Redirects certain riverboat admissions taxes from the horse racing commission to the state general fund. Reduces the supplemental distribution paid to the horse racing commission in state fiscal years ending before July 1, 2009, and eliminates the supplemental distribution after June 30, 2009. Provides for the annual distribution of state slot machine wagering taxes. Imposes a horse racing promotion fee of 15.25% of the adjusted gross receipts from slot machine wagering. Provides for the distribution of the fees to purses, breed development, and the associations representing owners, breeders, and trainers. Requires 160 live racing days each year. Establishes the minority and women business participation fund consisting of fees and civil penalties imposed upon riverboats and slot machine operators. Makes an appropriation.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Jim Landers, 317-232-9869.