

instruments or checks which are uncollected as determined by rule of the corporation.

Present law provides that the casino operator must pay to the La. Economic Development and Gaming Corporation (the corporation) a minimum compensation of the greater of 18.5% of gross revenues or 100 million dollars annually. Further, the casino operator must pay to the board a minimum compensation of the greater of 18.5% of gross revenues or 60 million dollars annually.

Present law provides for an annual licensing fee to be set forth in rules promulgated by the corporation.

Proposed law retains present law.

Proposed law provides that on and after July 1, 2020, the casino operator may apply to the board to establish a baseline amount of minimum compensation and licensing fee paid on the portion of gross revenue attributable to qualified wagering.

Proposed law provides that in any subsequent year, if the portion of the minimum compensation and licensing fee attributable to qualified wagering do not exceed the baseline amount, the licensee may deduct that difference of the amount of the minimum compensation and licensing fee paid on qualified wagering and the baseline amount from that year's gross revenues.

Proposed law provides that in any subsequent year, if the minimum compensation and licensing fee paid on qualified wagering do not exceed the baseline amount, the licensee may reapply to the board to establish a new baseline amount.

Proposed law provides that the board shall prescribe the form and manner of the deduction and promulgate rules to implement the provisions of proposed law. Further provides that the board shall amend the casino operating contract to reflect the provisions of proposed law.

Pari-Mutuel Wagering Facilities

Present law, regarding pari-mutuel wagering facilities (eligible facilities), defines "net slot machine proceeds" as the total of all cash and property received by a licensee from slot machine gaming operations minus the amount of cash or prizes paid to winners. Further defines "taxable net slot machine proceeds" as the "net slot machine proceeds" less the amount of required support, payment, or contributions.

Present law requires eligible facilities to contribute to the horse breeding industry and support pari-mutuel wagering facilities by contributing annually from the net slot machine proceeds.

Present law provides that an 18.5% license tax shall be levied upon taxable net slot machine proceeds.

Proposed law retains present law.

Proposed law provides that on and after July 1, 2020, a licensee may apply to the board to establish a baseline amount of taxes and contributions paid on the portion of net slot machine proceeds attributable to qualified wagering.

Proposed law provides that in any subsequent year, if the portion of the taxes and contributions attributable to qualified wagering exceeds the baseline amount, a licensee may deduct the difference of the amount of taxes and contributions paid on qualified wagering and the baseline amount from that year's net slot machine proceeds.

Proposed law provides that in any subsequent year if the amount of taxes and contributions paid on qualified wagering do not exceed the baseline year, the licensee may reapply to the board to establish a new baseline amount.

Proposed law provides that the board shall prescribe the form and manner of the deduction and shall promulgate rules to implement the provisions of proposed law.

Effective August 1, 2018.

(Amends R.S. 27:44(21)-(25), 205(31)-(34), and 353(10)-(14); adds R.S. 27:44(26), 95, 205(35), 253, 353(15), 395)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Judiciary B to the original bill

1. Adds the definition of "qualified wagering" to the provisions of present law regarding land-based casino operations.
2. Allows the casino operator to apply to the board to establish a baseline amount of minimum compensation and licensing fee paid on the portion of gross revenue attributable to qualified wagering.
3. Allows a deduction of the difference of the amount of minimum compensation and licensing fee paid on qualified wagering and the baseline amount from gross revenues if the portion of the minimum compensation and licensing fee attributable to qualified wagering exceeds the baseline amount in any subsequent year.
4. Allows the casino operator to reapply to the board to establish a new baseline amount if unable to utilize the deduction in a subsequent year.
5. Requires the board to amend the casino operating contract to reflect the provisions of proposed law.
6. Adds the definition of "qualified wagering" to the provisions of present law regarding

pari-mutuel wagering facilities.

7. Allows a licensee operating an eligible pari-mutuel wagering facility to apply to the board to establish a baseline amount of taxes and contributions paid on the portion of net slot machine proceeds attributable to qualified wagering.
8. Allows a deduction of the difference of the amount of taxes and contributions paid on qualified wagering and the baseline amount from net slot machine proceeds if the portion of taxes and contributions attributable to qualified wagering exceeds the baseline amount in any subsequent year.
9. Allows the eligible facility to reapply to the board to establish a new baseline amount if unable to utilize the deduction in a subsequent year.
10. Requires the board to prescribe the form and manner of the deduction and promulgate rules to implement the provisions of proposed law.