



Rep. Wyvetter H. Younge

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09400HB1271ham002

LRB094 09263 AMC 43867 a

1 AMENDMENT TO HOUSE BILL 1271

2 AMENDMENT NO. _____. Amend House Bill 1271, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The State Finance Act is amended by adding
6 Section 5.640 as follows:

7 (30 ILCS 105/5.640 new)

8 Sec. 5.640. The Depressed Municipalities Fund.

9 Section 10. The Riverboat Gambling Act is amended by
10 changing Sections 13 and 23 and adding Section 13.2 as follows:

11 (230 ILCS 10/13) (from Ch. 120, par. 2413)

12 Sec. 13. Wagering tax; rate; distribution.

13 (a) Until January 1, 1998, a tax is imposed on the adjusted
14 gross receipts received from gambling games authorized under
15 this Act at the rate of 20%.

16 (a-1) From January 1, 1998 until July 1, 2002, a privilege
17 tax is imposed on persons engaged in the business of conducting
18 riverboat gambling operations, based on the adjusted gross
19 receipts received by a licensed owner from gambling games
20 authorized under this Act at the following rates:

21 15% of annual adjusted gross receipts up to and
22 including \$25,000,000;

1 20% of annual adjusted gross receipts in excess of
2 \$25,000,000 but not exceeding \$50,000,000;

3 25% of annual adjusted gross receipts in excess of
4 \$50,000,000 but not exceeding \$75,000,000;

5 30% of annual adjusted gross receipts in excess of
6 \$75,000,000 but not exceeding \$100,000,000;

7 35% of annual adjusted gross receipts in excess of
8 \$100,000,000.

9 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
10 is imposed on persons engaged in the business of conducting
11 riverboat gambling operations, other than licensed managers
12 conducting riverboat gambling operations on behalf of the
13 State, based on the adjusted gross receipts received by a
14 licensed owner from gambling games authorized under this Act at
15 the following rates:

16 15% of annual adjusted gross receipts up to and
17 including \$25,000,000;

18 22.5% of annual adjusted gross receipts in excess of
19 \$25,000,000 but not exceeding \$50,000,000;

20 27.5% of annual adjusted gross receipts in excess of
21 \$50,000,000 but not exceeding \$75,000,000;

22 32.5% of annual adjusted gross receipts in excess of
23 \$75,000,000 but not exceeding \$100,000,000;

24 37.5% of annual adjusted gross receipts in excess of
25 \$100,000,000 but not exceeding \$150,000,000;

26 45% of annual adjusted gross receipts in excess of
27 \$150,000,000 but not exceeding \$200,000,000;

28 50% of annual adjusted gross receipts in excess of
29 \$200,000,000.

30 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
31 persons engaged in the business of conducting riverboat
32 gambling operations, other than licensed managers conducting
33 riverboat gambling operations on behalf of the State, based on
34 the adjusted gross receipts received by a licensed owner from

1 gambling games authorized under this Act at the following
2 rates:

3 15% of annual adjusted gross receipts up to and
4 including \$25,000,000;

5 27.5% of annual adjusted gross receipts in excess of
6 \$25,000,000 but not exceeding \$37,500,000;

7 32.5% of annual adjusted gross receipts in excess of
8 \$37,500,000 but not exceeding \$50,000,000;

9 37.5% of annual adjusted gross receipts in excess of
10 \$50,000,000 but not exceeding \$75,000,000;

11 45% of annual adjusted gross receipts in excess of
12 \$75,000,000 but not exceeding \$100,000,000;

13 50% of annual adjusted gross receipts in excess of
14 \$100,000,000 but not exceeding \$250,000,000;

15 70% of annual adjusted gross receipts in excess of
16 \$250,000,000.

17 An amount equal to the amount of wagering taxes collected
18 under this subsection (a-3) that are in addition to the amount
19 of wagering taxes that would have been collected if the
20 wagering tax rates under subsection (a-2) were in effect shall
21 be paid into the Common School Fund.

22 The privilege tax imposed under this subsection (a-3) shall
23 no longer be imposed beginning on the earlier of (i) July 1,
24 2005; (ii) the first date after June 20, 2003 ~~the effective~~
25 ~~date of this amendatory Act of the 93rd General Assembly~~ that
26 riverboat gambling operations are conducted pursuant to a
27 dormant license; or (iii) the first day that riverboat gambling
28 operations are conducted under the authority of an owners
29 license that is in addition to the 10 owners licenses initially
30 authorized under this Act. For the purposes of this subsection
31 (a-3), the term "dormant license" means an owners license that
32 is authorized by this Act under which no riverboat gambling
33 operations are being conducted on June 20, 2003 ~~the effective~~
34 ~~date of this amendatory Act of the 93rd General Assembly~~.

1 (a-4) Beginning on the first day on which the tax imposed
2 under subsection (a-3) is no longer imposed, a privilege tax is
3 imposed on persons engaged in the business of conducting
4 riverboat gambling operations, other than licensed managers
5 conducting riverboat gambling operations on behalf of the
6 State, based on the adjusted gross receipts received by a
7 licensed owner from gambling games authorized under this Act at
8 the following rates:

9 15% of annual adjusted gross receipts up to and
10 including \$25,000,000;

11 22.5% of annual adjusted gross receipts in excess of
12 \$25,000,000 but not exceeding \$50,000,000;

13 27.5% of annual adjusted gross receipts in excess of
14 \$50,000,000 but not exceeding \$75,000,000;

15 32.5% of annual adjusted gross receipts in excess of
16 \$75,000,000 but not exceeding \$100,000,000;

17 37.5% of annual adjusted gross receipts in excess of
18 \$100,000,000 but not exceeding \$150,000,000;

19 45% of annual adjusted gross receipts in excess of
20 \$150,000,000 but not exceeding \$200,000,000;

21 50% of annual adjusted gross receipts in excess of
22 \$200,000,000.

23 (a-8) Riverboat gambling operations conducted by a
24 licensed manager on behalf of the State are not subject to the
25 tax imposed under this Section.

26 (a-10) The taxes imposed by this Section shall be paid by
27 the licensed owner to the Board not later than 3:00 o'clock
28 p.m. of the day after the day when the wagers were made.

29 (b) Until January 1, 1998, 25% of the tax revenue deposited
30 in the State Gaming Fund under this Section shall be paid,
31 subject to appropriation by the General Assembly, to the unit
32 of local government which is designated as the home dock of the
33 riverboat. Beginning January 1, 1998, from the tax revenue
34 deposited in the State Gaming Fund under this Section, an

1 amount equal to 5% of adjusted gross receipts generated by a
2 riverboat shall be paid monthly, subject to appropriation by
3 the General Assembly, to the unit of local government that is
4 designated as the home dock of the riverboat. From the tax
5 revenue deposited in the State Gaming Fund pursuant to
6 riverboat gambling operations conducted by a licensed manager
7 on behalf of the State, an amount equal to 5% of adjusted gross
8 receipts generated pursuant to those riverboat gambling
9 operations shall be paid monthly, subject to appropriation by
10 the General Assembly, to the unit of local government that is
11 designated as the home dock of the riverboat upon which those
12 riverboat gambling operations are conducted.

13 (c) Appropriations, as approved by the General Assembly,
14 may be made from the State Gaming Fund to the Department of
15 Revenue and the Department of State Police for the
16 administration and enforcement of this Act, or to the
17 Department of Human Services for the administration of programs
18 to treat problem gambling.

19 (c-5) After the payments required under subsections (b) and
20 (c) have been made, an amount equal to 15% of the adjusted
21 gross receipts of (1) an owners licensee that relocates
22 pursuant to Section 11.2, (2) an owners licensee ~~license~~
23 conducting riverboat gambling operations pursuant to an owners
24 license that is initially issued after June 25, 1999, or (3)
25 the first riverboat gambling operations conducted by a licensed
26 manager on behalf of the State under Section 7.3 ~~7.2~~, whichever
27 comes first, shall be paid from the State Gaming Fund into the
28 Horse Racing Equity Fund.

29 (c-10) Each year the General Assembly shall appropriate
30 from the General Revenue Fund to the Education Assistance Fund
31 an amount equal to the amount paid into the Horse Racing Equity
32 Fund pursuant to subsection (c-5) in the prior calendar year.

33 (c-15) After the payments required under subsections (b),
34 (c), and (c-5) have been made, an amount equal to 2% of the

1 adjusted gross receipts of (1) an owners licensee that
2 relocates pursuant to Section 11.2, (2) an owners licensee
3 conducting riverboat gambling operations pursuant to an owners
4 license that is initially issued after June 25, 1999, or (3)
5 the first riverboat gambling operations conducted by a licensed
6 manager on behalf of the State under Section 7.3 ~~7.2~~, whichever
7 comes first, shall be paid, subject to appropriation from the
8 General Assembly, from the State Gaming Fund to each home rule
9 county with a population of over 3,000,000 inhabitants for the
10 purpose of enhancing the county's criminal justice system.

11 (c-20) Each year the General Assembly shall appropriate
12 from the General Revenue Fund to the Education Assistance Fund
13 an amount equal to the amount paid to each home rule county
14 with a population of over 3,000,000 inhabitants pursuant to
15 subsection (c-15) in the prior calendar year.

16 (c-25) After the payments required under subsections (b),
17 (c), (c-5) and (c-15) have been made, an amount equal to 2% of
18 the adjusted gross receipts of (1) an owners licensee ~~license~~
19 that relocates pursuant to Section 11.2, (2) an owners licensee
20 ~~license~~ conducting riverboat gambling operations pursuant to
21 an owners license that is initially issued after June 25, 1999,
22 or (3) the first riverboat gambling operations conducted by a
23 licensed manager on behalf of the State under Section 7.3 ~~7.2~~,
24 whichever comes first, shall be paid from the State Gaming Fund
25 to Chicago State University.

26 (d) From time to time, the Board shall transfer the
27 remainder of the funds generated by this Act, except the tax
28 revenue generated pursuant to Section 13.2, into the Education
29 Assistance Fund, created by Public Act 86-0018, of the State of
30 Illinois.

31 (e) Nothing in this Act shall prohibit the unit of local
32 government designated as the home dock of the riverboat from
33 entering into agreements with other units of local government
34 in this State or in other states to share its portion of the

1 tax revenue.

2 (f) To the extent practicable, the Board shall administer
3 and collect the wagering taxes imposed by this Section in a
4 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
5 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the
6 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
7 Penalty and Interest Act.

8 (Source: P.A. 92-595, eff. 6-28-02; 93-27, eff. 6-20-03; 93-28,
9 eff. 6-20-03; revised 1-28-04.)

10 (230 ILCS 10/13.2 new)

11 Sec. 13.2. Revenue sharing. Beginning January 1, 2006, each
12 licensed owner conducting gambling operations under this Act
13 shall pay an amount equal to 0.5% of adjusted gross receipts to
14 the Board. Payments under this Section shall be made by the
15 licensed owner to the Board not later than 3:00 o'clock p.m. of
16 the day after the day when the wagers were made. The moneys
17 received from a licensee shall be placed in that licensee's
18 special account within the Depressed Municipalities Fund,
19 which is hereby created as a special fund in the State
20 treasury. Moneys in an account in the Fund shall be paid to
21 municipalities that are (1) located in the county where the
22 riverboat that paid into that account docks or in a county that
23 is contiguous to that county and (2) in the bottom 10% in per
24 capita income in that group of counties. Moneys paid to a
25 municipality pursuant to this Section shall be used for
26 infrastructure improvement projects within that municipality.

27 (230 ILCS 10/23) (from Ch. 120, par. 2423)

28 Sec. 23. The State Gaming Fund. On or after the effective
29 date of this Act, all of the fees and taxes collected pursuant
30 to subsections of this Act, except tax revenue collected
31 pursuant to Section 13.2, shall be deposited into the State
32 Gaming Fund, a special fund in the State Treasury, which is

1 hereby created. The adjusted gross receipts of any riverboat
2 gambling operations conducted by a licensed manager on behalf
3 of the State remaining after the payment of the fees and
4 expenses of the licensed manager shall be deposited into the
5 State Gaming Fund. Fines and penalties collected pursuant to
6 this Act shall be deposited into the Education Assistance Fund,
7 created by Public Act 86-0018, of the State of Illinois.

8 (Source: P.A. 93-28, eff. 6-20-03.)

9 Section 99. Effective date. This Act takes effect upon
10 becoming law."