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INTRODUCED BY

House BILL NO. 525
Arbuthnot Menahan

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE \$1 TAX ON A SPORTS TAB GAME; DECREASING THE AMOUNT THAT MUST BE PAID TO THE WINNER OF THE GAME FROM 90 PERCENT OF WHAT PLAYERS PAY FOR THE TABS TO 80 PERCENT; AND AMENDING SECTIONS 23-5-502 AND 23-5-503, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 23-5-502, MCA, is amended to read:

"**23-5-502. Sports pools and sports tab games authorized —tax.** ~~(1)~~ Conducting or participating in sports pools and sports tab games as defined and governed in this part is lawful, except that:

~~(1)~~ sports tab games may only be conducted on premises licensed to sell alcoholic beverages for consumption on the premises; and

~~(2)~~ only a licensee of premises that are located in an incorporated city or town with a population of less than 100 or located outside the boundaries of an incorporated city or town and that are licensed to sell alcoholic beverages for consumption on the premises may conduct a race between animals and conduct one or more sports pools on the race. The race may be conducted only if it is between pigs, gerbils, or hamsters and is conducted on the premises but outside of interior areas of the establishment where food and beverages are usually stored, prepared, or served.

~~(2) A manufacturer licensed under 23-5-115 who sells sports tabs to a licensed operator for use in a sports tab game shall collect from the operator, at the time of sale, a tax of \$1 for each 100 sports tabs sold and, within 15 days after the end of each calendar quarter, submit to the department any forms required by the department and the proceeds of the collected tax. The manufacturer shall keep a record of taxes collected as required by department rule. The records must be made available for inspection by the department upon request of the department. The department shall retain the proceeds of the tax to administer this part."~~

Section 2. Section 23-5-503, MCA, is amended to read:

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0525, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act eliminating the \$1 tax on a sports tab game.


ASSUMPTIONS:

1. Eliminating the tax would reduce the Gambling Control Division (GCD) state special revenue fund revenues by approximately \$4,000 per year.
2. The GCD of the Department of Justice does not anticipate an increase or decrease in expenses as a result of the implementation of this bill.

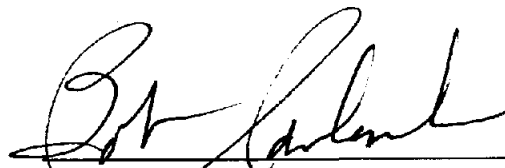
FISCAL IMPACT:

Revenues:

	<u>FY96</u>	<u>FY97</u>
	<u>Difference</u>	<u>Difference</u>
Sports tab tax (02)	(4,000)	(4,000)



DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning



BOB PAVLOVICH, PRIMARY SPONSOR DATE

Fiscal Note for HB0525, as introduced

HB 525