

AMENDED IN ASSEMBLY JUNE 30, 2014

SENATE BILL

No. 1003

Introduced by Senator Evans

February 13, 2014

An act to amend Section 19596.2 of the Business and Professions Code, relating to horse racing add Section 17132.11 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1003, as amended, Evans. ~~Horse racing: out-of-state thoroughbred races.~~ *Personal Income Tax Law: cancellation of indebtedness: student loan forgiveness.*

The Personal Income Tax Law provides for various exclusions from gross income.

This bill would, for taxable years beginning on or after January 1, 2014, exclude from gross income the amount of student loan indebtedness repaid or canceled pursuant to a specified federal law.

This bill would take effect immediately as a tax levy.

~~Existing law authorizes a thoroughbred racing association or fair to distribute the audiovisual signal and accept wagers on the results of out-of-state thoroughbred races conducted in the United States during the calendar period the association or fair is conducting a race meeting, including days on which there is no live racing being conducted by the association or fair, without the consent of the organization that represents horsemen and horsewomen participating in the race meeting and without regard to the amount of purses. Under existing law, the total number of thoroughbred races imported by associations or fairs on a statewide basis under these provisions shall not exceed 50 per day on days when~~

live thoroughbred or fair racing is being conducted in the state, with the exception of specified races.

This bill would instead provide that the total number of thoroughbred races imported by associations or fairs on a statewide basis under these provisions shall not exceed 55 per day on days when live thoroughbred or fair racing is being conducted in the state, with the exception of specified races.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17132.11 is added to the Revenue and
2 Taxation Code, to read:

3 17132.11. For taxable years beginning on or after January 1,
4 2014, gross income shall not include any loan amount repaid by
5 the United States Secretary of Education or canceled pursuant to
6 Section 1098e of Title 20 of the United States Code.

7 SEC. 2. This act provides for a tax levy within the meaning of
8 Article IV of the Constitution and shall go into immediate effect.

9 SECTION 1. ~~Section 19596.2 of the Business and Professions~~
10 ~~Code is amended to read:~~

11 19596.2. ~~(a) Notwithstanding any other law and except as~~
12 ~~provided in Section 19596.4, a thoroughbred racing association~~
13 ~~or fair may distribute the audiovisual signal and accept wagers on~~
14 ~~the results of out-of-state thoroughbred races conducted in the~~
15 ~~United States during the calendar period the association or fair is~~
16 ~~conducting a race meeting, including days on which there is no~~
17 ~~live racing being conducted by the association or fair, without the~~
18 ~~consent of the organization that represents horsemen and~~
19 ~~horsewomen participating in the race meeting and without regard~~
20 ~~to the amount of purses. Further, the total number of thoroughbred~~
21 ~~races imported by associations or fairs on a statewide basis under~~
22 ~~this section shall not exceed 55 per day on days when live~~
23 ~~thoroughbred or fair racing is being conducted in the state. The~~
24 ~~limitation of 55 imported races per day does not apply to any of~~
25 ~~the following:~~

26 (1) ~~Races imported for wagering purposes pursuant to~~
27 ~~subdivision (e).~~

1 ~~(2) Races imported that are part of the race card of the Kentucky~~
2 ~~Derby, the Kentucky Oaks, the Preakness Stakes, the Belmont~~
3 ~~Stakes, the Jockey Club Gold Cup, the Travers Stakes, the~~
4 ~~Arlington Million, the Breeders' Cup, the Dubai Cup, the Arkansas~~
5 ~~Derby, or the Haskell Invitational.~~

6 ~~(3) Races imported into the northern zone when there is no live~~
7 ~~thoroughbred or fair racing being conducted in the northern zone.~~

8 ~~(4) Races imported into the combined central and southern zones~~
9 ~~when there is no live thoroughbred or fair racing being conducted~~
10 ~~in the combined central and southern zones.~~

11 ~~(b) Any thoroughbred association or fair accepting wagers~~
12 ~~pursuant to subdivision (a) shall conduct the wagering in~~
13 ~~accordance with the applicable provisions of Sections 19601,~~
14 ~~19616, 19616.1, and 19616.2.~~

15 ~~(c) No thoroughbred association or fair may accept wagers~~
16 ~~pursuant to this section on out-of-state races commencing after 7~~
17 ~~p.m., Pacific standard time, without the consent of the harness or~~
18 ~~quarter horse racing association that is then conducting a live racing~~
19 ~~meeting in Orange or Sacramento Counties.~~

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