

percent of the regular mutuel pool, 19 percent of the multiple mutuel pool involving two horses, and 25 percent of the multiple mutuel pool involving three or more horses. Regular mutuel pool means a separate wagering pool in which an interest is represented by a single ticket evidencing a single wager on one horse. Multiple mutuel pool means a separate wagering pool in which an interest is represented by a single wager on two or more horses. Each licensee shall apply the amounts deducted as follows:

(2) Except as provided in paragraph (3) of this subsection:

(iv) 2. The increased funds allocated to licensees commencing July 1, 1985 pursuant to paragraph (2) of this subsection are provided so that each licensee shall improve the facilities and services of its track and increase its promotional and marketing activities, in order that attendance and wagering may be increased and the well-being of the thoroughbred racing industry enhanced. These increased funds may not be used to pay any income tax consequences resulting from the increased funds. Exclusive of the increased funds allocated to licensees commencing on July 1, 1985 pursuant to paragraph (2) of this subsection, in no year shall the licensee's expenditure for capital improvements, marketing, public relations, promotions and maintenance be less than the average expenditure of the licensee for the three fiscal years preceding the enactment of this legislation for each of the above listed areas. In calculating the minimum required expenditure a licensee may not include in the calculation any allowance for income tax consequences resulting from the increased funds. Each licensee shall submit to the Commission and the General Assembly:

A. By August 1, 1985 a report on the proposed use of the increased funds for the licensees' current fiscal year;

B. By August 1, 1986 and each year thereafter a report, reviewed by the independent CERTIFIED public accountants approved by the Commission to audit such licensee, specifying the manner in which the increased funds were expended or committed in the prior fiscal year of the licensee and an unaudited report on the proposed use of the funds for the current fiscal year of the licensee; and

C. Any additional information the General Assembly deems appropriate.

Article 83A - Department of Economic and  
Employment Development