

SENATOR CHAMBERS: A 700 percent exemption granted to the race tracks.

SENATOR V. JOHNSON: Yes.

SENATOR CHAMBERS: Did I hear something stated about a one-half percent reduction in the amount of the parimutuel tax assessed?

SENATOR V. JOHNSON: The Revenue Committee was able to withstand all kinds of industry pressure to provide that additional exemption to the tracks so that is not in the committee amendments, but the tracks were desirous for that. In fact, they were desirous for an even greater windfall than that.

SENATOR CHAMBERS: So because you deal with these numbers more often than I do and probably would be more correct in your calculations and you have already done this, what percentage reduction in the tax that they pay will this 700 percent increase in the exemption grant to them?

SENATOR V. JOHNSON: Theoretically, there will be no reduction in the taxes that they pay because, theoretically, by this Legislature permitting horse racing on Sunday the amount of the handle, which is a foreign term in this body, but the amount of the handle will increase and the increase in the handle will more than offset the reduction of the increase in the exemption, so that the amount of taxes collected should remain constant.

SENATOR CHAMBERS: Right, the dollars, but what I want to know is if we would translate this 700 percent increase in the exemption into a percentage reduction of the parimutuel tax levied, what percentage reduction will that result in?

SENATOR V. JOHNSON: I can't tell you quickly. I don't know.

SENATOR CHAMBERS: I can get that later. Thank you. Oh, one other question because you are the Revenue Chairman, has the Revenue Committee considered a bill that would cut out certain exemptions from the sales tax, so we can put this in perspective?