

accept here, and as a result of Senator Marsh's questions and my listening, I have learned something that I didn't know prior to this. The tracks cleanup in a way that no other business enterprise is allowed to do in this state. Unclaimed wagers belong to the track. Let me ask Senator Johnson a question about this then. Senator Johnson, is that windfall of unclaimed dollars taxed?

SENATOR V. JOHNSON: Yes. Yes, of course it is.

SENATOR CHAMBERS: And what...

SENATOR V. JOHNSON: It is only taxed as a part of the overall handle. See, what we tax is the total amount of money that people bet. That is called the handle.

SENATOR CHAMBERS: Yes.

SENATOR V. JOHNSON: And so if Ak-Sar-Ben, the king of the tracks..

SENATOR CHAMBERS: Yes.

SENATOR V. JOHNSON: ...has a handle of \$150 million, and we impose a 5 percent tax on \$150 million, then that is what we collect from Ak-Sar-Ben.

SENATOR CHAMBERS: So you tax the total amount.

SENATOR V. JOHNSON: Yes.

SENATOR CHAMBERS: Then an amount is rebated to Ak-Sar-Ben as a result of these unclaimed wagers that were won.

SENATOR V. JOHNSON: Yes, Ak-Sar-Ben, I don't think it is rebated, but when Ak-Sar-Ben does have...I would have to check that out more carefully, but...

SENATOR CHAMBERS: In effect, that is what it amounts to.

SENATOR V. JOHNSON: But there obviously will be a number of winning tickets that people never claim.

SENATOR CHAMBERS: Yes.

SENATOR V. JOHNSON: So Ak-Sar-Ben in effect is able to