

# MAINE STATE LEGISLATURE

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Date: 5-22-09

(Filing No. S-205)

LEGAL AND VETERANS AFFAIRS

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STATE OF MAINE

SENATE

124TH LEGISLATURE

FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 346, L.D. 924, Bill, "An Act To Clarify the Taxability of Promotional Credits in the State Gaming Laws"

Amend the bill by inserting after the title and before the enacting clause the following:

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, tourism is a significant segment of the State's economy; and

Whereas, any promotion or encouragement that will bring tourists to the State is of benefit to that segment of the State's economy; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Amend the bill in section 1 in subsection 36-A in the last line (page 1, line 7 in L.D.) by striking out the following: "and net slot machine income." and inserting the following: ', net slot machine income and payback percentage.'

Amend the bill by inserting after section 2 the following:

Sec. 3. 8 MRSA §1032-A is enacted to read:

§1032-A. Promotional credit calculation

Cash prizes, winnings or credits that are received as a result of redeeming promotional credits and are used to play a slot machine are considered gross slot machine income for the purposes of allocation under section 1036.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

COMMITTEE AMENDMENT

**SUMMARY**

1  
2 This amendment clarifies that promotional credits are not used in calculating payback  
3 percentage and that the winnings from promotional credits used to continue play of slot  
4 machines are considered gross slot machine income. It also adds an emergency preamble  
5 and emergency clause.

**FISCAL NOTE REQUIRED**

(See attached)



# 124th MAINE LEGISLATURE

LD 924

LR 1799(02)

## An Act To Clarify the Taxability of Promotional Credits in the State Gaming Laws

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Legal and Veterans Affairs

Fiscal Note Required: Yes

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### Fiscal Note

No net fiscal impact

#### Fiscal Detail and Notes

This bill clarifies that promotional credits are not included in the calculation of gross slot machine income, net slot machine income or payback percentage. The use of promotional credits could increase business at Hollywood Slots, thereby increasing the amount of income the State receives. However, given the forecast for disposable income in the latest Consensus Economic Forecasting Commission report, it is anticipated that any additional income to the State from Hollywood Slots would be reduced by reductions in other income categories, i.e. lottery and sales tax.