

## Tracks could get tax breaks to compete with tribal casinos

By **Bill Kaczor**

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**TALLAHASSEE** — South Florida jai alai frontons and horse and dog tracks would get a tax break on their slot machine earnings to help compete against expanding Seminole Indian casinos under a bill the Senate passed Thursday.

Broward and Miami-Dade county pari-mutuel facilities would still have to pay a minimum of \$123 million in taxes. Above that level, earnings would be taxed at 35 percent instead of 50 percent rate.

"At a 50 percent tax rate they're either losing money or barely breaking even now," said Sen. Steve Geller, the bill's sponsor.

"And with additional competition from the Indians offering product that they can't, I would expect that they would close," said Geller, the Senate minority leader. "With a 35 percent tax rate they have a shot of hanging on."

The Senate also passed a second gambling bill that would allow tracks and frontons anywhere to offer bingo-like electronic games if they do not have slots. It faces almost certain defeat, though, when it goes to the House, where leaders oppose expansion of gambling and where it has no companion bill.

Geller said House leaders have told him they will consider his bill because it applies only to facilities voters already have authorized.

He insisted it is not an expansion of gambling. Geller, though, acknowledged that four facilities, which are eligible to install the Las Vegas-style slots but have not yet done so, are unlikely to put them in without the tax cut.

The Senate voted 25-12 for the slots tax cut (SB 970) and 27-11 for the electronic gaming machine expansion (SB 1380) sponsored by Sen. Dennis Jones, R-Seminole.

Sen. Ronda Storms, R-Valrico, urged her colleagues to vote against the bills and stop the expansion of gaming.

"It's like cancer; it creeps everywhere," she said.

Florida voters amended the state constitution in 2004 to permit Broward and Miami-Dade counties to decide whether they wanted to allow slots. Broward voters approved them the next year and Miami-Dade voters did so this January.

Three of four sites eligible to have slots in Broward have now installed them. Three more facilities are eligible to put in the slots in Miami-Dade.

The Seminole Tribe is expanding its casinos to add slots and other games including blackjack and baccarat under a federally approved compact signed by Gov. Charlie Crist.

The pari-mutuels, though, are limited by the state's Constitution to slots, giving the Seminole casinos a competitive edge.

The Legislature has challenged the compact in the Florida Supreme Court because it has not been approved by lawmakers.

Geller said he is confident the justices will rule for the Legislature because that is what has happened in five similar cases in other states.

If not, the pari-mutuels may be unable to compete, even with the tax cut.

A companion bill (HB 1241) to Geller's has been introduced in the House but has not yet been heard