

SECTION Q — Pari-Mutuel Wagering Tax

BASIC PROVISIONS AND TAX BASE

A pari-mutuel tax is imposed on the gross amount wagered in excess of \$10 million dollars at each horserace track during a calendar year. Any amount wagered over \$10 million, but not more than \$73 million, is taxed at the rate of 2.5%. Amounts wagered in excess of \$73 million are taxed at the rate of 4%.

Statutory Reference and Description	Estimated Tax Expenditure Cost (NA = Not Available)
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EXEMPTIONS

Section [2-1208.01](#)

The first \$10 million wagered by the pari-mutuel method at every race meeting is not taxed.	\$934,622
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CREDITS

Section [2-1208.01](#)

All licensed race meets, except for race meets conducted at the location where the Nebraska State Fair is held, retain as a credit against the tax, an amount equal to 2% of the first taxable \$70 million. Race meets conducted at the location where the Nebraska State Fair is held retain 2.5%. The amount retained is used for capital improvements and maintenance.	\$2,091,000
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RECOMMENDATIONS

The Nebraska Department of Revenue has no recommendations.