

# HB645 INTRODUCED



1 HB645  
2 U9N54GG-1  
3 By Representative Hollis  
4 RFD: Economic Development and Tourism  
5 First Read: 19-Mar-26



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SYNOPSIS:

This bill would establish a state privilege tax on historical horse racing activities which would be in lieu of all other state and local taxes.

This bill would repeal local laws providing a tax on such activities.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to taxation; to establish a state privilege tax on historical horse racing activities; and to repeal Sections 11-65-29, 11-65-30, 11-65-35, 45-32-150.13, 45-44-150.12, and 45-49-151.14, Code of Alabama 1975, levying local pari-mutuel wagering taxes and other fees

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) There is levied in the state a privilege tax of eight percent of the net gambling revenue collected from pari-mutuel wagering on historical horse racing on computerized machines of each historical horse racing licensee. The tax shall be collected by the Department of Revenue from each historical horse racing licensee and distributed as provided by local law.



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29 (b) For purposes of subsection (a), "net gambling  
30 revenue" means the total amount of money or value in any form  
31 received as a result of any pari-mutuel wagering on historical  
32 horse racing activities, excluding free bets, free lays, and  
33 promotional credits, less federal excise taxes, voided wagers,  
34 and the total money or value in any form paid as prizes or  
35 winnings.

36 (c) The state privilege tax collected under this  
37 section is exclusive of and supersedes any other local taxes,  
38 fees, or commissions now imposed on historical horse racing  
39 pari-mutuel activities in the state.

40 (d) Nothing in this section shall change the existing  
41 tax structure for live greyhound racing, simulcast live  
42 greyhound racing, or live or simulcast horse racing which is  
43 not historical horse racing.

44 (e) Nothing in this section shall be construed to  
45 authorize, permit, or expand any form of gambling activity  
46 beyond that which is permitted by law on the effective date of  
47 this act.

48 Section 2. The following sections are repealed:

49 (1) Section 11-65-29, Code of Alabama 1975, imposing  
50 the state horse wagering fee in Class 1 municipalities.

51 (2) Section 11-65-30, Code of Alabama 1975, imposing  
52 the commission wagering fee in Class 1 municipalities.

53 (3) Section 11-65-35, Code of Alabama 1975, relating to  
54 certain racing taxes in Class 1 municipalities.

55 (4) Section 45-44-150.12, Code of Alabama 1975,  
56 imposing a tax due on pari-mutuel pools in Macon County,



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57 Alabama.

58 (5) Section 45-32-150.13, Code of Alabama 1975,  
59 imposing a tax on pari-mutuel pools in Greene County, Alabama.

60 (6) Section 45-49-151.14, Code of Alabama 1975,  
61 imposing a tax on pari-mutuel pools in Mobile County, Alabama.

62 Section 3. This act shall become effective on October  
63 1, 2026.