**Section 3000.1071 Admission Tax and Wagering Tax**

a) Each holder of an Owner's license ("owner licensee") and licensed manager ("manager") is subject to tax and fee liability assessment for each Gaming Day for the applicable Admission Tax or Admission Fee and the Wagering Tax as imposed under the Act.

b) Admission Taxes and Fees and Wagering Taxes shall be paid via an electronic funds transfer system employing an Automated Clearinghouse Debit method (ACH-Debit). Each owner licensee and manager shall maintain an account with sufficient funds to pay, in a timely fashion, all tax and fee liabilities due under the Act. The account shall be maintained at a financial institution capable of making payments to the State under the electronic funds transfer requirements imposed by the State.

c) Admission Taxes and Fees and Wagering Tax liability shall be established on the basis of a Gaming Day. Each owner licensee and manager shall select, with the approval of the Administrator, a 24 hour cycle to be defined as the uniform Gaming Day for that owner licensee or manager. A Gaming Day may begin on one calendar day and end the next calendar day, provided that the Gaming Day does not extend beyond the uniform 24 hour period selected in advance by the owner licensee or manager.

d) The Administrator shall prescribe and make available to each owner licensee and manager forms, instructions and reporting requirements for Admission Taxes and Fees and Wagering Taxes. The required forms include the Daily Tax and Fee Schedules. The Daily Tax and Fee Schedules may be provided by the Administrator to owner licensees and managers in computer-based format and include a computer program that, upon input by the licensee and manager of requisite data, provides for the calculation of tax and fee reporting information and tax and fee liability. Daily Tax and Fee Schedules shall be completed for each Gaming Day. The monthly float adjustment shall be completed on the Daily Tax and Fee Schedule for the final Gaming Day of each month.

e) The Daily Tax and Fee Schedules must be filed with the Board no later than 12:00 noon on the Due Date. Admission Taxes and Fees and Wagering Tax payments shall be transferred electronically on the Due Date to the Board's designated financial institution by the end of that financial institution's business day. For purposes of tax and fee schedules and tax and fee payments, the Due Date shall be defined as one bank business day after the close of the Gaming Day for which the liability is established. For example, if the Gaming Day of an owner licensee or manager ends at 2:00 a.m. on a Tuesday (i.e., the end of a Gaming Day that began on Monday), the Due Date is the Wednesday which follows, unless that Wednesday is not a bank business day, in which case the subsequent bank business day is the Due Date.

f) The Admission Tax for a Gaming Day shall be calculated and imposed on owner licensees as provided in Section 12 of the Act. *From the Gaming Day of August 23, 2005, for a licensee that admitted 1,000,000 persons or fewer in calendar year 2004, the rate is $2 per person admitted, and for all other licensees the rate is $3 per person admitted*, except that only one admission tax shall be payable by an owner licensee for each person admitted during the same gaming day*.* [230 ILCS 10/12(a)]

g) The Admission Fee for a Gaming Day shall be calculated and imposed on licensed managers as provided in Section 12 of the Act. *For a licensee that admitted 1,000,000 persons or fewer in the previous calendar year, the rate is $3 per person admitted; for a licensee that admitted more than 1,000,000 but no more than 2,300,000 persons in the previous calendar year, the rate is $4 per person admitted; and for a licensee that admitted more than 2,300,000 persons in the previous calendar year, the rate is $5 per person admitted.* [230 ILCS 10/12(a-5)] This Admission Fee is imposed upon admissions to riverboat gambling operations operated by managers on behalf of the State pursuant to Section 7.3 of the Act. The Admission Fee shall be paid for each admission, except for the admissions for holders of the Board approved fee-free passes issued to actual and necessary officials and employees of the manager or other persons actually working on the riverboat as provided in the Act.

h) For any Gaming Day that commences after December 31, 1997 and ends on or before July 1, 2002, the Wagering Tax imposed on the owner licensee shall be based on each calendar year's accumulated Adjusted Gross Receipts and calculated at the following graduated rates:

1) 15% of the calendar year Adjusted Gross Receipts up to and including $25,000,000;

2) 20% of the calendar year Adjusted Gross Receipts in excess of $25,000,000 but not exceeding $50,000,000;

3) 25% of the calendar year Adjusted Gross Receipts in excess of $50,000,000 but not exceeding $75,000,000;

4) 30% of the calendar year Adjusted Gross Receipts in excess of $75,000,000 but not exceeding $100,000,000; and

5) 35% of the calendar year Adjusted Gross Receipts in excess of $100,000,000.

i) For any Gaming Day that commences on or after July 1, 2002 and ends on or before July 1, 2003, the Wagering Tax imposed on the owner licensee shall be based on each calendar year's accumulated Adjusted Gross Receipts and calculated at the following graduated rates:

1) 15% of the calendar year Adjusted Gross Receipts up to and including $25,000,000;

2) 22.5% of the calendar year Adjusted Gross Receipts in excess of $25,000,000 but not exceeding $50,000,000;

3) 27.5% of the calendar year Adjusted Gross Receipts in excess of $50,000,000 but not exceeding $75,000,000;

4) 32.5% of the calendar year Adjusted Gross Receipts in excess of $75,000,000 but not exceeding $100,000,000;

5) 37.5% of the calendar year Adjusted Gross Receipts in excess of $100,000,000 but not exceeding $150,000,000;

6) 45% of the calendar year Adjusted Gross Receipts in excess of $150,000,000 but not exceeding $200,000,000; and

7) 50% of the calendar year Adjusted Gross Receipts in excess of $200,000,000.

j) For any Gaming Day that commences on or after July 1, 2003 and ends on or before July 1, 2005, the Wagering Tax imposed on the owner licensee shall be based on each calendar year's accumulated Adjusted Gross Receipts and calculated at the following graduated rates:

1) 15% of the calendar year Adjusted Gross Receipts up to and including $25,000,000;

2) 27.5% of the calendar year Adjusted Gross Receipts in excess of $25,000,000 but not exceeding $37,500,000;

3) 32.5% of the calendar year Adjusted Gross Receipts in excess of $37,500,000 but not exceeding $50,000,000;

4) 37.5% of the calendar year Adjusted Gross Receipts in excess of $50,000,000 but not exceeding $75,000,000;

5) 45% of the calendar year Adjusted Gross Receipts in excess of $75,000,000 but not exceeding $100,000,000;

6) 50% of the calendar year Adjusted Gross Receipts in excess of $100,000,000 but not exceeding $250,000,000; and

7) 70% of the calendar year Adjusted Gross Receipts in excess of $250,000,000.

k) The Wagering Tax imposed under subsection (j) shall no longer be imposed as of any Gaming Day that commences on or after July 1, 2005.

l) For any Gaming Day that commences on or after July 1, 2005, the Wagering Tax imposed on the owner licensee shall be based on each calendar year's accumulated Adjusted Gross Receipts and calculated at the following graduated rates:

1) 15% of annual Adjusted Gross Receipts up to and including $25,000,000;

2) 22.5% of annual Adjusted Gross Receipts in excess of $25,000,000 but not exceeding $50,000,000;

3) 27.5% of annual Adjusted Gross Receipts in excess of $50,000,000 but not exceeding $75,000,000;

4) 32.5% of annual Adjusted Gross Receipts in excess of $75,000,000 but not exceeding $100,000,000;

5) 37.5% of annual Adjusted Gross Receipts in excess of $100,000,000 but not exceeding $150,000,000;

6) 45% of annual Adjusted Gross Receipts in excess of $150,000,000 but not exceeding $200,000,000;

7) 50% of annual Adjusted Gross Receipts in excess of $200,000,000.

m) Riverboat gambling operations conducted by a manager on behalf of the State are not subject to the Wagering Tax imposed under Section 13 of the Act.

n) Daily Tax and Fee Schedules shall include all information necessary for adjustments and reconciliation of tax and fee liability and shall be subject to audit by the Board and its audit agents. Adjustments to previously reported tax and fee information shall be made by the owner licensee or manager, except that no adjustment of $25,000 or more shall be made to previously reported Adjusted Gross Receipts without the prior written approval of the Administrator or the Administrator's designee.

o) Any adjustment for a Gaming Day which commenced on or before December 31, 1997, shall be authorized by the Administrator or the Administrator's designee, and shall be taxed at a rate of 20% of Adjusted Gross Receipts. Any adjustment for a Gaming Day that commences after December 31, 1997, shall be taxed at the graduated tax or fee rate applicable to the Gaming Day upon which the adjustment is effected.

p) In the event that a Daily Tax and Fee Schedule for a specific Gaming Day properly reflects a net wagering loss experienced by the owner licensee or manager, an adjustment for the amount of any remaining net wagering loss (negative Adjusted Gross Receipts) shall be carried forward on the subsequent Daily Tax and Fee Schedules until such loss is offset by Gaming win (positive Adjusted Gross Receipts).

q) All Admission Taxes and Fees and Wagering Taxes paid pursuant to the requirements of the Act shall be deposited by the Board into the State Gaming Fund or Common School Fund. The Board shall from time to time transfer excess funds in the State Gaming Fund to the Education Assistance Fund. The Board shall determine the amount of excess funds subject to transfer to the Common School Fund based upon the addition to the amount of Wagering Taxes that would have been collected if the Wagering Tax rates under subsection (j) were not in effect. The Board shall determine the amount of excess funds subject to transfer based upon the difference between the State Gaming Fund balance and the outstanding obligations, including any outstanding share of Admission and Wagering Taxes due to local governments, the Horse Racing Equity Fund, a home rule county with a population over 3,000,000, and the Chicago State University. The Administrator will be responsible for calculating the allocation of the Admission Taxes and Fees and Wagering Taxes between the State and the unit of local government designated as the home dock of the Riverboat and the other required allocations, as provided in the Act. Payments for Admission Taxes and Fees shall be made by the Board to units of local government quarterly, and payments for Wagering Taxes and all other payments, other than the Common School Fund, shall be made monthly, by voucher/warrant, subject to appropriation.

r) An owner licensee's or manager's failure to comply with the provisions of this Section may subject the owner licensee or manager to penalty and interest amounts pursuant to the Uniform Penalty and Interest Act [35 ILCS 735]. The Administrator is authorized to waive any penalty and interest for the late filing of a tax schedule or late tax payment, if the owner licensee or manager can show good cause. "Good cause" shall include, but not be limited to, detection and correction of a deficiency in filing or payment that resulted from a documented inadvertent or unintentional error that was corrected within one business day after the applicable Due Date. The owner licensee or manager shall be notified by the Administrator in writing of any penalty or interest payable because of a late tax schedule filing or late tax payment. The owner licensee or manager may, within 10 business days after receiving the notice, file a written request for a waiver with the Administrator. The Administrator shall act on the request for waiver and notify the owner licensee or manager in writing of the decision within 15 calendar days after receiving the request. If the Administrator fails to act within the 15 day period the waiver is deemed granted. If the Administrator denies the request for waiver the owner licensee or manager may ask the Board for a hearing. The request for hearing must be in writing and filed not later than 15 calendar days after receipt of the notice of denial. Except as provided in this subsection (r), the provisions for hearings under Subpart D shall apply to any hearing conducted under this Section. A hearing under this Section is not a disciplinary hearing under Subpart K of this Part.

(Source: Amended at 32 Ill. Reg. 7357, effective April 28, 2008)