

Supreme Court rules horse racing can get casino money

Springfield – Lawmakers can force casinos to fork over some of the cash gamblers bet on roulette, craps and cards to the declining Illinois horse racing industry, the Illinois Supreme Court ruled Thursday.

For the past two years, the state's four richest casinos, including the two in Joliet, have had to send 3 percent of their revenue to a special state fund to help horse tracks and racers.

Previously, circuit court in Will County found that the tax was unconstitutional because it meant some casinos were being taxed at different rates than others.

But the casinos lost that argument at the Supreme Court, and the decision was reversed by a unanimous vote.

"I think it's a sad day for business in the state of Illinois," said Illinois Casino and Gaming President Tom Swoik.

As the hype of Saturday's Belmont Stakes builds and draws attention to horse racing, Illinois officials say the industry here is suffering, especially since casinos began operating in the state and competing for people's gambling cash.

Swoik said the state's top four riverboats have paid USD 80 million toward the racing industry in the last two years. Because casinos sued over the issue, the money has remained in a state fund and was unavailable to the tracks.

Also, the law forcing casinos to pay the 3 percent for racing has expired, and those in the horse industry urged lawmakers to renew it because they'll need it in the future.

“Circumstances haven’t changed in two years,” said John Johnston, president of the company that owns Balmoral Park Racetrack in Crete.

Recently, casinos have been losing revenue, too.

A sluggish economy and Illinois smoking ban have been cited for declines in riverboat revenue.

A report from the state Commission on Government Forecasting and Accountability showed revenue down 17.6 percent across the state. And it showed Illinois casino numbers going down more quickly than neighboring states that don’t have smoking bans.