

New York State Horse Racing by the Numbers

1. **No meaningful tax revenue for NYS from pari-mutuel wagering on horse racing.**¹
2. **Billions in continuing subsidies to racing.** The state is massively funding a private business.
3. **No justification for subsidies for racing.** It's inequitable that other NY businesses with millions of employees create 100s of billions in economic impact—but without enormous subsidies.

\$2.5 billion—Annual amount wagered on horse races run in NY²

- \$0** - Net tax revenue¹ to NYS from racing handle (vs. casinos and lotteries that make billions for NYS)
- \$0** - NYS sales taxes from 10s of millions of dollars of racehorses sold annually in NYS
- \$0** - Rent from **NYRA** for occupying state-owned Belmont, Aqueduct and Saratoga racetracks
- \$0** - Reimbursement from **NYRA** for \$10s of millions in property taxes paid by NYS
- \$0** - Franchise fees paid by **NYRA** in 12 years despite their generous salaries, bonuses, lobbyists and subsidized lavish, multi-million-dollar clubhouses

\$230 million—Annual revenue sent to racing from state-owned video lottery terminals²

- \$148 million** – Subsidies³ to enhance all racing purses in NYS in 2019
- \$25 million** - Subsidies to the racehorse breeders' funds in NYS in 2019
- \$24 million** - Subsidies to **NYRA** for its operations in 2019
- \$33 million** - Subsidies to **NYRA** for its capital improvements in 2019
- 84%** - Average amount that each harness purse is subsidized by NYS
- 37%** - Average amount that each Thoroughbred purse is subsidized by NYS

19,000—Jobs (and \$3 billion in economic impact) claimed by horse racing

- Zero** - Specific details of the 19,000 jobs claimed: locations, pay scales, benefits, full or part time
- Zero** - Specific details of the \$3 billion in claimed economic impact
- Zero** - Proof that claimed jobs and economic impact would leave NYS if racing was not subsidized
- Zero** - Discussion of why this private business is massively subsidized and others are not
- Zero** - Analysis showing how NYS could equitably redirect racing subsidies to crucial public needs
- Zero** - Discussion of why NYS pays subsidies when racing is self-sufficient in other states
- Zero** - Justification for subsidies simply because racing involves agricultural jobs, farms, green space and tourism—if so, NYS would equitably subsidize the many other diverse businesses achieving these same goals

Attendance at NYS racetracks in 1978 was 12.6M. In 2018 it was 2.1M, down 84% (e.g., in the 1970s, Yonkers Raceway had daily attendance of 25,800—now they average less than 100 people—down 99%).⁴

*In 2008 a **NYRA** bankruptcy settlement conveyed its 3 racetrack properties to NYS in return for a financial bailout. As part of the bankruptcy rescue plan, NYS forgave \$54.1 million in **NYRA** debt to NYS and provided **NYRA** with \$105 million to pay off about \$80 million in non-NYS debt, leaving **NYRA** with a cash balance of about \$25 million.*

¹ Handle tax and regulatory fees paid by racing, less NYS costs to regulate racing, basically nets to zero. The \$2.5 billion annual handle is highly publicized. But \$2 billion, or 80% of this handle, is “exported out of state.”⁸ That represents bettors in other states wagering on NY racing—and taxed by those other states—not ours.

² Most recent NYS Gaming Commission data from 2019. Amounts have grown consistently for more than a decade.

³ Subsidies derived from the net win at video lottery terminals.

⁴ Untapped Cities, <https://untappedcities.com/2021/10/26/secrets-ynkers-raceway/7/>