



2016 Legislative Annual Report

LETTER FROM NTRA

Dear Supporters,

This 2016 NTRA Legislative Action Campaign Annual Report features an update on federal legislative and regulatory developments in the 2015/2016 Congress that impact the horse racing and breeding industry. From working to change the outdated tax treatment of pari-mutuel winnings to securing beneficial racehorse depreciation schedules and improved visa programs, the NTRA's federal legislative team continued to advocate for the industry in Washington, DC.

Please share this report with others who have an interest in helping the NTRA make a difference on Capitol Hill. Widespread support is key to the NTRA's success and we look forward to serving the entire industry in 2017.

With Appreciation,

Joe Bacigalupo

Joe Bacigalupo
Senior Director of Government Relations & Membership Development

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NTRA
MISSION STATEMENT

The NTRA is a broad-based coalition of horseplayers, racetrack operators, owners, breeders, trainers and affiliated associations committed to increasing the welfare, integrity and popularity of Thoroughbred racing through consensus-based leadership, safety and integrity initiatives, legislative advocacy, corporate partner development and fan engagement.

2016 LEGISLATIVE SUMMARY

As the trade association for the Thoroughbred industry, NTRA focuses its lobbying on legislation having direct and material effect on its members and their business activities as they relate to racehorse racing, breeding and pari-mutuel wagering. With the American Horse Council, the NTRA also supports Congressional education programs on issues such as agricultural matters and immigration, which affect the horse industry as a whole. Below is a summary of the major legislative issues for horse racing in the 2015/2016 Congress and early updates regarding the 2017/2018 Congress.

“The Amount of a Wager”

To the uninitiated, the 31-page, draft Treasury/IRS regulations for re-defining “the amount of a wager,” published at the end of December in the Federal Register, might seem an unlikely cause for celebration. But the proposed regulations capped an odyssey that began and ended with the bipartisan support of two Members of Congress, Rep. Charles Boustany, Jr. (R-LA) and Rep. John Yarmuth (D-KY), who stayed with the process and helped guide it to a successful conclusion, even as it morphed from a legislative matter to a regulatory issue. Along the way, nearly 20 Members of Congress from both parties and committees that included Administration, Appropriations, Budget, Energy & Commerce, Financial Services and Ways & Means, joined in supporting efforts to update antiquated tax treatment of pari-mutuel winnings.

IRS Reporting and Withholding Thresholds

Horse players wagering on pari-mutuel races currently are subject to reporting of proceeds of \$600 or more and automatic federal tax withholding on pari-mutuel proceeds of \$5,000 or more at odds of at least 300-1. The “amount of a wager,” now defined as the single winning bet the player makes (versus the total investment made), is at the center of these calculations, which frequently trigger reporting and/or withholding for horse players. Withholding reduces players’ liquidity during handicapping and adversely impacts pari-mutuel handle and purses.

The proposed regulations published in December 2016 clarify “the amount of the wager” to include the entire amount wagered into a specific pari-mutuel pool by an individual—not just the winning base unit—so long as all wagers made into a specific pool by an individual are made on a single totalizator ticket if the wager is placed onsite. The proposed regulations would have the same positive results for Advance Deposit Wagering (ADW) customers and would not impact how those wagers are currently made.

Withholding levels for pari-mutuel winnings have been pegged at \$5,000 since 1992. Reporting levels have not changed since the mid-1970s. The proposed regulations more accurately reflect today’s pari-mutuel wagering environment and will positively impact a significant percentage of winning wagers, particularly those involving multi-horse or multi-race exotic wagers. It is believed that the proposed changes will result in tens of millions of dollars in additional pari-mutuel wagering annually. In addition, the new regulations will not only promote greater compliance and more accurate reporting and withholding by taxpayers but also reduce burdensome and needless paperwork system-wide.

Efforts spearheaded by the NTRA, which crucially pivoted from a legislative to a regulatory process two and a half years ago, ultimately led to the proposed regulations, “Withholding on Payments of Certain Gambling Winnings.” How the industry arrived at this juncture is a story of perseverance, widespread industry cooperation and coordination, targeted Congressional support and timing.

Prelude: 2007-2012

After preliminary conversations with Members of Congress in 2007, NTRA secured introduction of the Pari-mutuel Conformity and Equality Act (PACE Act) in the House of Representatives the following year. A then-second-term Congressman, Rep. Charles Boustany Jr. (R-LA), whose district included one of Louisiana’s many ADW sites, sponsored the bill to eliminate the automatic federal tax withholding on pari-mutuel winnings of \$5,000 or more at odds of 300-1 or greater—a combination likely to occur when bettors hit a Pick 6 that involves long odds and a major investment to win. The bill saw little action but was reintroduced in 2009 under the co-sponsorship of Rep. Boustany and the then-sophomore Congressman Rep. John Yarmuth (D-KY), whose district includes Churchill Downs racetrack. The following year, the bill was referred to the House Ways and Means Committee, whose members included both Boustany and Yarmuth. The bill received little action and was not reintroduced in the 2011/2012 Congress. It was, however, slated for inclusion in any Internet gaming legislation that might move during that session, though none did, despite numerous efforts by the gaming industry.

Pivot: 2013-2016

With efforts to eliminate the tax on gambling winnings at a standstill and few prospects for passage of any tax reform legislation, horseplayers suggested an alternative: redefining the amount of a wager. They, along with leading handicappers in the racing media, demonstrated how the current process of withholding and reporting worked in their own experience. Redefining the amount of a wager, they demonstrated, would produce the same effect as the legislation previously sought, streamline reporting and withholding and simplify tax compliance.

In 2014, 17 Members of Congress, led by Reps. Boustany and Yarmuth, sent a letter to the Treasury and IRS outlining the need for a regulatory change. Early in the next year, Rep. Yarmuth arranged a meeting with senior Treasury officials, which included two leading horseplayers and a representative from Churchill Downs. Following the meeting, NTRA facilitated the filing of more than 12,000 public comments in favor of new language to define the “amount of a wager.”

Throughout the comment period, the NTRA legislative team also worked with elected officials who voiced their support for the proposed change via letters, phone calls and discussions with Treasury officials. Members of the U.S. House and Senate, including House Appropriations Committee Chairman Hal Rogers (R-KY) and Kentucky’s then-Governor Steve Beshear, helped build the case for tax reform.

By mid-2015, Treasury Department officials had received sufficient public input to move forward on the issue. In the ensuing months, Members of Congress maintained constant pressure on Treasury and IRS officials to act on the NTRA’s request. These are just two examples from 2016:

In March, Rep. Andy Barr (R-KY) submitted questions to Treasury Secretary Jacob J. Lew in conjunction with the Secretary’s appearance before the House Financial Service Committee. In response, Treasury’s Office of Tax Policy and the IRS Office of Chief Counsel acknowledged the significant input from our industry, saying such input was “very helpful in understanding these issues.”

In June, the 30-member Senate Committee on Appropriations and the 52-member House of Representatives Appropriations Committee passed companion bills for fiscal year 2017 that made appropriations for the United States Treasury, Internal Revenue Service (IRS) and certain other government agencies. Both bills included language that encouraged the IRS to modernize regulations for withholding and reporting of pari-mutuel proceeds. Following up on the appropriations bills, Reps. Boustany and Yarmuth again contacted the Secretary of the Treasury and urged the agency to move quickly.

A few months later, as the Obama Administration drew to a close, timing also proved propitious as staff and leadership, charged to conclude projects by year’s end, finished their work on redefining “the amount of a wager,” capping more than two and a half years of unrelenting Congressional and industry advocacy.

The Next Phase: Enactment

In written comments submitted in early January 2017 to Treasury and the IRS, the NTRA requested that they enact the new regulations as quickly as possible following a 90-day comment period that concluded on March 30. The association also established an online portal for individuals to submit e-mail comments directly to the United States Treasury Department in support of the proposed regulations.

Epilogue

The paths of Reps. Boustany and Yarmuth diverged in 2016, with Rep. Boustany losing a bid for a U.S. Senate seat in the November elections, while Rep. Yarmuth was re-elected and subsequently elevated to the position of Ranking Member of the House Budget Committee. Together they began a process that built over time to involve thousands of individuals in the racing community and in government. We thank our PAC supporters, the NTRA’s legislative team, horseplayers, industry stakeholders, members of the racing media, Members of Congress and their staffers, numerous other elected officials and a host of regulators within the Treasury and the IRS who helped bring this effort to what appears to be a successful conclusion.

Racehorse Depreciation

A provision in last year’s Protecting Americans from Tax Hikes (PATH) Act extended three-year tax depreciation for all racehorses through 2016. An abbreviated lame duck session after the November elections did not address this or any other tax extenders. Congress instead authorized government spending into early 2017 to allow the new Administration time to put its team into place. Until then, larger issues—including tax reform—are on hold. We believe there may be the opportunity for uniform depreciation of racehorses to finally be addressed—permanently—in a comprehensive tax rewrite.

Bonus depreciation, authorized in the PATH Act, remains at 50 percent for 2016 and 2017, at 40 percent for 2018 and 30 percent for 2019. The Section 179 expense allowance established under the PATH Act, while both permanent and indexed for inflation, remains unchanged at \$500,000, with a \$2 million threshold for qualified new or used property purchased and placed in service by small business owners in 2016. Total purchases of qualified property that exceed \$2 million reduce the taxpayer’s expense allowance dollar for dollar. Broodmares may be eligible for expensing and are an example of used property because of their prior use as a racehorse or broodmare.

Legislation to reduce the capital gains holding period for horses from two years to one, H.R. 3672, the Equine Tax Parity Act, introduced last year by Rep. Andy Barr (R-KY), did not pass in 2016. The provision remains a priority for the NTRA.

Online Gambling

Despite companion bills being introduced in 2015 in the House and Senate to ban Internet gaming, Congress paid little attention to the issue then or in 2016. Under a new Administration and a president who is himself a casino owner and appears supportive of Internet gaming, the issue may resurface in the next Congress, but not without resistance from a major GOP donor, casino magnate Sheldon Adelson, who seeks an outright ban on Internet gaming. Another possibility is that the Justice Department could reverse its position of a few years ago in which it opined that certain types of intrastate, Internet gaming are permissible if legalized by states. That opinion, a boon to the lotteries and certain online casino gaming sites in Delaware, New Jersey and Nevada, is what Adelson has sought to reverse legislatively. While Adelson may continue down a legislative path, our industry has key allies in Congress who remain supportive of racing's ability to offer interstate online pari-mutuel wagering via the Interstate Horseracing Act.

Medication/Equine Welfare

In 2015, several bills were introduced aimed at regulating the industry and/or providing new structures for regulation of the industry with respect to medication. None came to fruition by the end of the 2016 Congressional session.

Senator Tom Udall (D-NM) and Rep. Joe Pitts (R-PA) introduced legislation to eliminate most wagering on horse racing—a bill the sponsors said would “encourage the sport to end doping and crack down on cheaters.” Numerous industry organizations condemned the bill, which saw little action.

A second bill, H.R. 2641, The Horseracing Integrity and Safety Act, also sponsored by Rep. Pitts, would provide the U.S. Anti-Doping Agency (USADA) with authority to regulate the sport and enforce anti-doping standards in races with simulcast wagering. Similarly, the bill saw little action.

A third bill, the Thoroughbred Horseracing Integrity Act of 2015, was introduced with bipartisan support by Reps. Andy Barr (R-KY) and Paul Tonko (D-NY). The legislation would grant authority for rulemaking, testing and enforcement of drug and medication use in Thoroughbred racing to an entity created by the non-profit, nongovernmental U.S. Anti-Doping Agency (USADA). USADA would create the Thoroughbred Horseracing Anti-Doping Authority (THADA), to be governed by a board of six USADA board members and five independent individuals from the Thoroughbred racing industry. THADA would work with state racing commissions and be funded by the racing industry. While the bill attracted numerous co-sponsors, it did not gain traction in the abbreviated 2016 session.

Reps. Barr and Tonko introduced a similar bill in May 2017, the Horseracing Integrity Act of 2017 (H.R. 2651). This version includes some noteworthy differences from the 2015 legislation. Specifically, whereas the previous bill was limited to Thoroughbred racing, H.R. 2651 also applies to Quarter Horse and Standardbred racing. Additionally, the bill prohibits the use of any substance or medication within 24 hours of a race.

Congress passed a federal spending bill in spring 2017 that maintains language to defund horse slaughter inspections by the United States Department of Agriculture. The defunding mechanism has become a standard method to achieve a de facto ban on slaughter.

Immigration

When domestic workers are unavailable, horse trainers and other industry participants use the H-2B visa program to hire grooms and other stable help. The H-2B visa program has an annual cap of 66,000 visas. Qualified workers who complied with past visa requirements and worked in the program during one of the preceding three years are excluded from the cap through a returning worker exemption.

Through its involvement in the H-2B Workforce Coalition, the NTRA works with other organizations and businesses in advocating for continuation of the H-2B returning worker exemption. After one short-term extension of the returning worker exemption in September 2016, Congress failed to renew it again in December prior to recess.

According to a statement from the H-2B Workforce Coalition, “The H-2B program relies on returning workers who come to the U.S. for seasonal employment and then go home. These workers are not immigrants. They provide an opportunity for U.S. businesses to operate at a greater capacity, retain their full-time workers and contribute to their local economies. Seasonal workers help support many upstream and downstream jobs. Every H-2B worker is estimated to create and sustain 4.64 American jobs.

The aforementioned 2017 federal spending bill also includes a provision to provide possible H-2B cap relief during fiscal year 2017 if the Secretary of Homeland Security, after consultation with the Secretary of Labor, finds economic necessity. The total number of visas available in fiscal year 2017 may increase to as high as 129,547 from 66,000 if language in the bill is fully applied. The higher H-2B visa cap was derived from the number of new and returning workers admitted to the U.S. in fiscal year 2007, which is the fiscal year when the highest number of H-2B nonimmigrants participated in the H-2B returning worker program.

In the wake of the November elections and with funding uncertain in the new Congress, the future of the H-2B program remains unclear. Immigration is expected to be a major issue under the new Administration, which made heightened border security with Mexico a centerpiece of its campaign. The NTRA will continue to advocate for racing's interests in maintaining access to qualified foreign labor when domestic workers are unavailable.

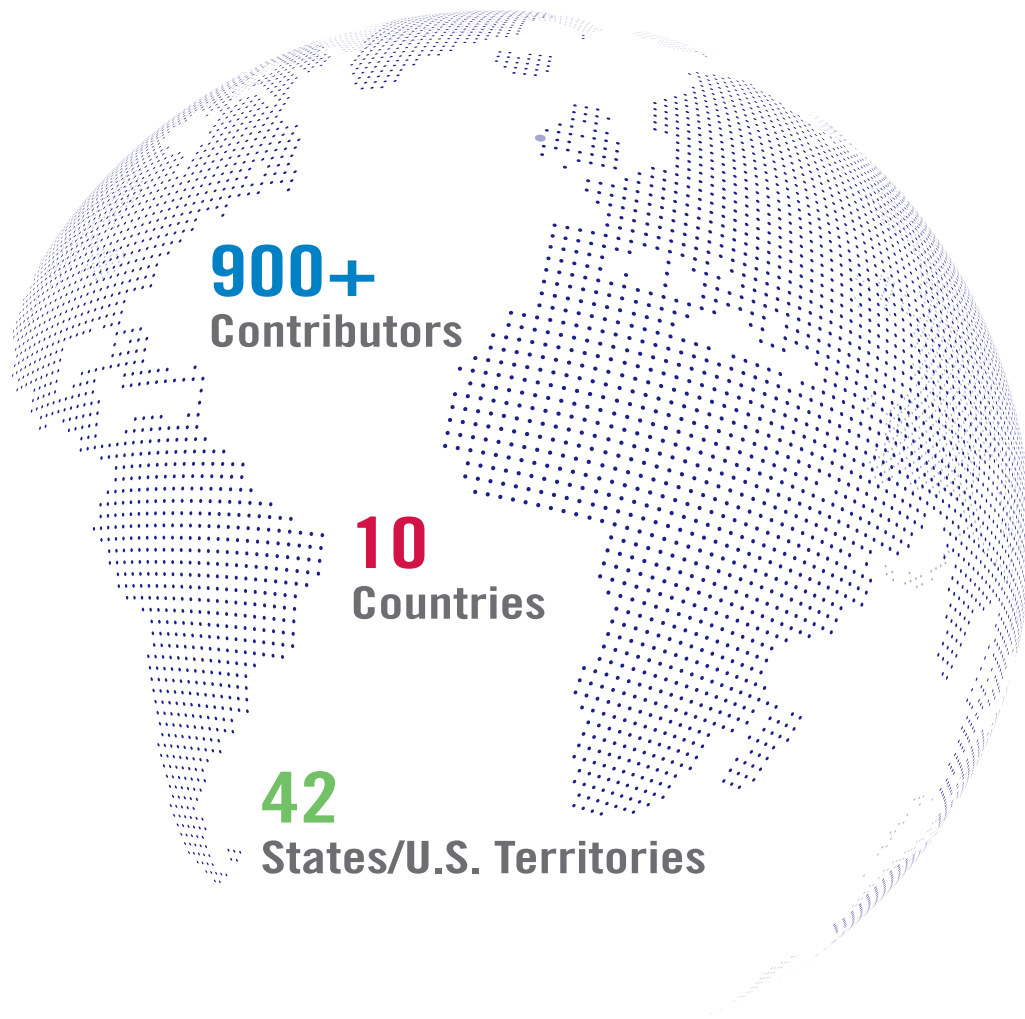
2016 LEGISLATIVE ACTION CAMPAIGN CONTRIBUTORS

A J Suited LLC	Black Cloud Racing	James F. Caterbone	Dark Hollow	Justin Evans
ASI Racing Stables	Black Duck Racing	Carmen Catizone	Darley Stud Management	James & Jeneane Everatt
Paul G. Aguirre	Blackburn Farm	Cave Brook Farm	John Davison	J. A. Everatt-Meeuse
Akindale Farm	Robert Blackmon	Centennial Farms	Janet Del Castillo	Exhale Enterprises
Alan Booge Racing	Blackstone Farm	Isidro Centeno	Robert Delaney, Jr.	Dennis Farkas
Alex Solis Bloodstock	Ron Blake	Chance Farm	Delehanty Stock Farm	Marette Farrell
Hector Alcalde	Blake-Albina Thoroughbred Services	Chanceland Farm	Nancy M. Deloni	Feel the Thunder Stable
Randy Alderson	Susan Blood	Pramote Changsila	John F. DeMeo	Kathleen M. Feron
Jim Alendal	Bloodstock Management Services	Charlton Bloodstock Agency	Nick de Meric	Dave Fisback
Martin Alicea	Bloodstock Thoroughbreds	Brandon & Marianne Chase	Denali Stud	William D. Fishback
Thamer Abdullah Alkanhal	Margaret Bloss	Gary & Jane Chervenell	Michael P. DePaulo	Fleetwood Bloodstock
Allied Bloodstock	Blue Checker Thoroughbreds	Chesapeake Farm	Robert Ortiz de Paz	Fletcher Racing Operation
Allied Racing Stables	Blue Devil Racing Stable	Chestertown Farm	J. Keith Desormeaux	Fleur de Lis Stables
Fred Allor	Blue Jay Stable	Matthew J. Chew	Charles H. Deters	Jose Flores
Neal M. Allread	Bluegrass Broodmares	Chilly Bleak Farm	Philip Discosmo	Flying Finish Farm
William F. Allyn	Bluegrass Equine Properties	Cicero Farms	Anthony J. Didier	Todd Fitch
Al Shaqab Racing	Bluegrass Thoroughbred Services	Cinnamont Stables	Priscilla Diego-Villagran	Perry Flynn
Don Ameche	Bluewater Sales	Claiborne Farm	Lou Dunn Diekemper	T. L. Folkerth
Anchor Equine	Bluff Point Stable	Clarkland Farm	Joseph Dirico	Folkerth, Kelly, Seitz, Swain
Sally J. Andersen	Bobby Jones Equine	Classic Bloodstock	Michael R. Di Tomasso	Forbush Farm
Anderson Racing	Bona Terra Stud	Clear Creek Stud	Dixie Farm	Fortune Farm
Bryan C. Anderson	Bona Venture Stables	Clearsky Farm	David Doering	Dennis Foster
James M. Anderson	Bonita Farm	Michael P. Cloonan	Dogwood Stable	Foundations Farm
Denny Andrews	Renzo A. Bontempo	E. M. Cobb	Ken Donworth	Four Star Sales
Andrews T & S Racing	Matt Bowling	Coco Equine	Double Diamond Farm	Fox Straus KY
Ashview Farm	Keith Brackpool	Vincent & Marie Colbert	Double K	A. J. Foyt, Jr.
Ashwood Trinity	Randy Bradshaw	Colts Neck Stable	Marshall E. Dowell	Frank Fletcher Racing Operation
Audley End	Louis A. Bradvica	Columbiana Farm	Thomas A. Drasul	Frankfurt Stables
Audley Farm Equine LLC	Niall Brennan	Jesse Compton	Steve Duncker	Franklin Stables
Greg Avery	Glen S. Bromagen	Diane Connell	Dundalk 5	Mike & Pat Freeny
Aynsford Holdings	Bradley & Elise Benedict Browne	Conquest Stables	EAS Equine Alliance	Joseph F. Friedberg
BHMFR	Brandywine Farm	Kevin Conto	EMFO Racing	Linda Fritton
Gerald Babchisin	Ruth C. Brightbill	Thomas F. Conway	Eagle Point Farm	Domonic Fuda
Baccari Bloodstock	Brookdale Farm	Copper Penny Stables	Gleason Eakin	Full Circle farm
Back Straight Farms	Brookdale Sales	Corner Woods	Easter Bloodstock	Funofit Stable
Bad Boys Racing	Charlie Brown	Rhonda & Kory Cornum	Eaton & Thorne	S. Fustok
Baker Ranch	Brylynn Farm	Cottonwood Stables	Eaton Sales	GLM
Stephen Baker	Buck Pond Farm	Country Life Farm	Adeh Ebeling	Gainesway
Steve Ballou	Erick Buckley	Countrywide Tree Service	Edition Farm	Dr. Michael T. Gallivan
Roy & Jana Barbe	Daniel J. Burke	Courtlandt Farm	Ed Wright Cattle Company	Garey Racing Stables
Oscar S. Barrera III	Timothy A. Burr	Joe R. Cowles	E. Equine	Gar Oil Corp.
Michael J. Barro	Paul & Cindy Busby	Larmon Cowles	Monica Egger	Gayle Woods Training
Clifford Barry	Steve Bussjaeger	Dr. Ruel Cowles	El Capi Racing	Genesis Racing
Bartolome Mafra H.	CJZ Racing	Crawford Farms	Elite Equine	Geocel Ranch
Tom Basler	Kirt Cahill	Cres Ran	Michelle L. Elliott	Don Gibb
Todd Beattie	Calabria Farms	Crestwood Farm	Elm Tree Farm	Dr. Charles S. Giles
Beaver Dam Farm	Campbell Farm	Thomas Cross	Emcee Stable	Dennis Glaccum
Patricia V. Beck	David Campbell	Cross Keys Sales	Empire Equines	John Glasshof
Tim Beeson	Canaan Creek Stables	Crossroads Farm	Endeavor Farm	Glenangus Farm
John T. Behrendt	Cara Bloodstock	Crowning Point Farm	Ends Well	Glen Hill Farm
Al & Joyce Bell	Cardinal Farm	Rachael R. Crupper	Dell Ennis	Global Equus Thoroughbreds
Price Bell	Miguel Carranza	W. D. Cubbedge	E. Paul Robsham Stables	Marie Goda
Bender & Bender	Webb Carroll	Dr. John R. Cummins	Epona Farm	Golden Eagle Farm Investment
Best a Luck farm	Wes Carter	Cutting Edge Equine	Equinox	Jaime H. Gomez
Best Foot Forward	George J. Castanares	DKW Racing	Equus Farm	Good Luck Farm
Sharon Biamonte	Castle Park Farm	D.P. Racing	E-Racing.com	James Goodman
Big D Racing	Catalyst Bloodstock	Darby Dan Farm	John Erdel	Julie Gordon
Bigheart Thoroughbreds			Mike Estes	Robert Gorham

Bob Gorsky	Highclere	Jumping Jack Racing	Renee Logan	Judy Miller
De Courcay Graham	Jim & Susan Hill	KDE Equine	Lojicar Investment	Leverett S. Miller
Grand Crue Farm	John F. Hill	KMN Racing	Long Lake Stables	Mill Ridge Sales
Grassroots Training & Sales	Hill 'n' Dale Sales	Jeremiah F. Kane	Long Shadow Acres	Milltown Stud
Bob Grayson	Hillwood Stable	Sheila Karan	Longford Farm	Chris Mitchell
Lorna Gray	Steven Hinds	William Kartoziyan	Juan Carlos Lopez	Ed Moger, Jr.
Jeffery L. Greenhill	Nick J. Hines	Harry Kassap	Lotts Creek Farms	Julie Jones Mogge
Greenmount Farm	Hinkle Farms	Richard S. Kaster	Kenneth Love	Molly Buck Partners
William Greenstein	Cynthia J. Hipple	KatieRich Farms	Gary Lucas	Montesacro Farm
Seth Gregory	Robert E. Hoeweler	Kearney Park	Robert & Myrna Luttrell	Montese
Grether Farms	Harry Hoglander	Keene Ridge Farm	M & D Stable	Ron Moquett
Mark B. Grier	Paul W. Honeycutt	Jon S. Kelly	MMG Stable	Moreau Bloodstock
Group 1 Racing	Hoppel's Horse & Cattle	Ellen B. Kill Kelley	Philip Maas	Morera Breeding & Racing
Group 2 Racing	Patrick Hoppel	Elise W. Kendall	MacFadden Publishing	John P. Morgan
Grousemont Farm	H. Ray Horn	John C. Kimmel	Preston Madden	Dr. Terry L. Morgan
Helen K. Groves	Richard Horn	Paul M. King	Mark & Rachel Maddox	Morris Bloodstock Services
Mary K. Grum	Michael Horning	Kingdom Bloodstock	Stewart M. Madison	Stuart Morris
Grupo 7C	Horseshoe Valley Equine	Kingview Farms	Carl S. Maggio	H. Graham Motion
Grupo C19	Bernard T. Houghton	Kinsman Farm	Magic City Thoroughbreds	Jason Morton
Gun Powder Farms	Tommy Humphries	James C. Kirk	Patrick J. Magill	Farrokh Moshar
Walter S. Gustavsen	Hunter Hill Farms	Kirkwood Stables	Magnolia Racing Stables	William I. Mott
Bruce Guttman	Hunter Valley Farm	Adam Kitchingman	Scott Mallory	Joe Mulholland
HWL Partnership	Hurstland Farm	Klaravich Stable	Robert T. Manfuso	Mulholland Farm
Hall Family Trust	Imagine Thoroughbreds	Milan Kosanovich	Man O War Farm	Mulholland Springs
Richard Hall	Indian Creek Farm	Daniel Kramer	Mapleton Thoroughbred Farm	Nereida Munoz
Allen Hallett	International Thoroughbred	Robert Krangel	Alfred Marquez	Mystic Acres
Hamburg Place	Bloodstock Asscn.	Eliott Krems	Dawn Martin	N W Management
Sandra L. Hanson	Joseph Ioia	Eric J. Kruljac	Perry & Denise Martin	NAC Bloodstock and Trading
Haras Santa Maria de Araras SA	Ital-Cal Horse Management	LC Racing	Martin Brothers Racing Stables	NATO
Hardacre Farm	Abed Itani	LRE Racing	Everardo Martinez	Jerry Namy
Stephen L. Harner	John C. Ivory	LRK Stable	Robert Masiello	Jonathan Nance
Glenn Harrington	Ivy League Farm	L X Stable	Mason Springs	Thomas Nash
Harry L. Landry Bloodstock	J & S Stables	La Bahia Stud	Cleber Massey	Matthew J. Nestor
Dr. John C. Harroff	JAH Racing	Leonard Labuda	Moroni Massimo	Paul Newhart
Edward Hart	JAMM, Ltd.	Lane's End Farm	Mast Thoroughbreds	Ralph Nicks
Richard Harter	JDT Farm	Lane's End Racing	Mathis Stables	Nicoma Bloodstock
Hartwell Farm	JMJ Racing Stables	Lanni Bloodstock	John R. Matlusky	Nolan Creek Farm
Eoin Hartly	JRS Racing	Late Night Stables	Paul Matties, Jr.	Nordic Thoroughbreds
Hastings Racing Club	J. R. Ward Stables	Dan Lawler	Summer Mayberry	Nick Nosowenko
Dawn Haught-Martin	Jackpot Ranch	Lazy Lane Farms	Ron McAnally	Nursery Place
Philip & Donna Healey	Jackson Purchase Farm	Leaf Stable	Robert McCann	Oak Bluff Stable
Blake Heap	Gregory Jackson	Le Beau Cheval Farm	Kip McCreery	Oak Haven Farm
Heaven Trees	Steve & Debbie Jackson	Ledgeland	Mike McDonald	Oak Lodge USA
Hedgewood Farm	Lynn Jacobs	Scott Leeds	John D. McKee	Oakbrook Farm
Calvin Heggie	Gary James	Legacy Bloodstock	Leland C. McKinley	Oakcrest Stable
Roger Heitzmann	Luther Gregory James	Legacy Ranch	Marc McLean	Douglas L. Oberg
Marty Hellwig	Stuart S. Janney III	Alejandro Leon	McMahon of Saratoga	Vernon Obermeier
Richard & Theresa Helms	Eva Jansson	Let It Ride Equine Holdings	Kenneth McPeck	Old Chapel Farm
S. F. Henderson	JayArDee Stables	Let's Go Stable	Michael McPoland	Old Shadowlawn Farm
Cecilia Henric-Devore	Jay Em Ess Stable	Lee Levinson	Meadow Lane Stables	Old South Farm
Herbener Farm	Jefferson Ltd.	Beverly Lewis	Meadow Springs	Jeff Olson
Hermitage Farm	Rodney Jenkins	Lee Lewis	Marco Medina	Omega Farm
Herrick Racing, LLC	Catherine Jennings	Liebau Farms	George A. Mellon	Dennis O'Neill
Jack Hester	Jobe Racing	Lightner Color LLC	Antone Metaxas	O'Quinn Stables
Arthur G. Hetherington	Joey Gee Thoroughbreds	Tommy Ligon	Metro Thoroughbreds	Jacobo Ordenez
Trevor R. Hewick	L. William Johnson	Jill Lindell	Harry & Tom Meyerhoff	Ed Orr
Richard Heysek	Aaron & Marie Jones LLC	Louis Linder, Jr.	Lee & Adrienne Midkiff	Edward Ortiz
Fred & Elizabeth Hickey	Brent Jones	Little River Farm	Midwest Thoroughbreds	Our Blue Streak Stable
Hickory Tree Farm	Lynn Jones	Livin' The Dream Racing 2015	Mike Anderson Racing	Debby M. Oxley
John P. Hicks	Walter M. Jones	Lochlow Farm	Miklin Stable	John C. Oxley
Hidden Brook	Jordan Thoroughbreds	Lochness	James Miller	P J Arnold Bloodstock

Mr. & Mrs. Frederick L. Pabst	Road Trip Racing	Silver Fern Farm	Barclay Tagg	Wavertree Stables
Joe Pagan	Edward S. Robbins III	Silver Springs Stud	Taihei Stud Farm	Konrad Wayson
Jeffrey & Pamela Pankow	Gregory Roberts	Michael Simpson	Michael Talla	Weathering Farm
Paramount Sales	Merrill Roberts	Simmons and Associates	Bruce Tallisman	Melissa Webb
Bill Parcels	Tommy Roberts	Garry W. Simms, Sr.	Tally Ho Stud	Stephen B. Weissman
Charles Parker	Richard L. Robertson	Sinatra Thoroughbred Racing & Breeding	Pierre Talvard	Wendy Noel Sales
Jason Partain	Don M. Robinson	Skeedattle Associates	Taylor Made Farm	West Point Thoroughbreds
Patricia's Hope	J. Kirk & Judy Robison	Mary Slack	Taylor Made Sales Agency	Robert S. West, Jr.
Darrin Paul	Roblar Vista Ranch	Franklin G. Smith	Team Grande Racing	Westerly Horse Farm
Peachtree Farm	Rockin Z Ranch	Smitten Farm	Team Penney Racing	Cortwright Wetherill, Jr.
Jody A. Peetz	Romans Racing & Sales	Gary Snoonian	Team Valor International	Mike & Cheryl Whieldon
Pepper Farm	Roseglade Farm	Solis/Litt	Gene & Charlene Tenbrink	Ross Whipple
Richard Perkins	Rosegrove Farm	Walther Solis	The Holly and Ivy Stable	Whispering Oaks Farm
Steve & Barbara Perlick	Rose Hill Farm	Someday Farm	Dan And Karin Thompson	Alexandra White
Perrone Sales	Round Hill Stud	South Point Sales Agency	Jonathan Thorne	Kathleen Willier
Richard Picken	Royal Oak Farm	Southern Comfort Farm	Tim Thornton	Grant Whitmer
Scott & Lanae Pierce	Runner's Dream Farm	Southern Cypress Stable	Ike & Dawn Thrash	Judd Whitworth
Pine Ridge Stables	Runnymede Farm	Southwind Stables	Threave Main Stud	Lion Wiggins
Pin Oak Stud	Temple Rushton	Span Investments I	Three Chimneys Farm	Stephen Wigmore
Allan Pitchko	Kristina & Jerome Russell	R. Townsend Sparks	Three Crowns Farm	William H. Wilks
Milt A. Policzer	Tim Russell	William S. Sparks	Three Pines Farm	Garland Williamson
Polivka Equine Holdings	SEJ Stables	Speedway Stables	Jerry A. Thurston	Willow Lane Stables
Popatop	SGV Thoroughbreds	Chancey Spencer	Don Tiger	Willow Racing
Vicente Portaro	SJ Bloodstock	Kenneth L. Spencer	Harold Tillema	Willmott Stables
Bill & Vicki Poston	SJ Racing	Spring Ridge	Time Will Tell Stables	David & Holly Wilson
Leonard Powell	SJB Stable	Springland Farm	James H. Tolliver	Wing Foot Stable
Ramon Preciado	SLO Racing Stable	Stagecoach Pass Farm	Topsmeade	Wintergreen Farm
Preferred Equine Marketing	Joseph Saffie	Star Cross Stable	Joseph Tosterud	Winter Creek Farm
Preston Stables	Victor Jimenez Sainz	St. Elias Stables	Town & Country Farms	Winter Quarter Farm
Prestonwood Farm	Ron Salerno	St. George Sales	Trackside Farm	Wintickett Farm
Michael Pressley	Juan Sanchez	Stelly Stables LLC	Joe Trefiletti	Bill Witman
Public Racing Stables	Sano Racing Stables	Kathy Stephens	Triad Farm	Wolf Pen Farm
Qaintana Farm	Jaciel Santos	Ryan Stibers	Lawrence G. Tribble	Woodbower Farm
R. A. Hill Stable	Saratoga Glen Farm	Norma Lee Stockseth	Tricar Stables	Woodline Farm
R. C. Cline Thoroughbreds	Clarence Scharbauer III	Beryl N. Stokes, Jr.	Trinity Racing Stable	Woodstock Farm
RDZ Farm	Michael B. Scheffone	Stone Bridge Farm	Stuart Tsujimoto	Woodstock Racing Stable
R M C Stables	Matthew Schera	Stone Ridge Farm	Robert L. Tucker	Kirk Wycoff
Jake Radosevich	Merrill R. Scherer	Strouds Lane Farm	Tullpark Ltd.	James R. Wyenandt
Rainbow Fields Farm	Len Schermer	Stonegate Stables	Twin Oaks Stable	Emily Wygod
Ramsey Farm	Chad Schumer	Stonereath Stud	Twin Willow Farm	Mr. & Mrs. Martin Wygod
Gayla Rankin	Sea Jay Farm	Stonestreet Thoroughbred Holdings	Two Hearts Farm	X Press Thoroughbreds
Dr. Jerry T. Raskey	Sebold Racing	Stoneview Farm	Upson Downs Farm	Daniel & Patricia Yates
Kirsten Rausing	Seidman Stables	Stud Dona Licha	Up The Creek Bloodstock	Yellow Creek Farm
Jeanette L. Reck	Seitz/Kelly/Folkert	Melvin Stute	V P Horse Racing Stable	Steven W. Young
Reddam Racing	Seitz/Kelly/Swain	Randel Stutes	VIP Farms	W. J. Zeringue
Red Devil Bloodstock	J. Seitz	Sugar Plum Farm	Carlo Vaccarezza	Zilla Racing Stables
Red Wings Enterprises	Select Sales	Sugarland Thoroughbreds	Nancy & Harvey Vanier	
William Reightler	Semaphore Racing	Summerfield Sales	Trudy Veintot	
Renpher Stables	Sequel Thoroughbreds	Sunday Morning Farm	Christina Ventura	
Retog, Inc.	John C. Servis	Superfine Farms	Versatile Thoroughbreds	
Bryan Rice	Shadwell Estate Company	Jack Swain	Village Originals	
Ricehorse Stables	Shadwell Farm	Chris Swann	Village View Farm	
Dr. J. David Richardson	Shamrock Hill Farm	Tom Swearingen	Vinery Sales	
Richwood South	Sheltowee Farm	Gerald J. Swift	Carolyn R. Vogel	
Donald Ridge III	Sherry Racing	Swify Farms	Vossfeld Bloodstock	
Marie Montgomery Riggs	Joseph V. Shields, Jr.	Ronald Tagliaferro	Walking L Thoroughbreds	
Rigney Racing	Luis A. Shirley	T/C Stable	Brendan Walsh	
Rimer Reason Farm	Marla Shontere	TdM Sales	Bruce Waltermire	
Rio Dois Irmoas	Shortleaf Stable	TKO Bloodstock	War Horse Place	
Andrew C. Ritter	Nancy Shuford		John P. Warren	
River Edge Ranch	George R. Sikora		Warrendale Sales	

NATIONAL & INTERNATIONAL SUPPORT OF NTRA FUNDRAISING



The NTRA's Legislative Action Campaign is funded by supporters from around the world.



ntra_legislative Nice line up at Barretts May. Join us for the action today starting at 2pm. #barretts #sales #equine #horses



ntra_legislative Always gorgeous at #keeneland. Yearlings for sale. Selling Book 1 today starting at 11am. Over 200 horses in first session. #yearlings #buyersmarket



ntra_legislative We're just as excited about the #OBSSale as he is. Visit us today at Ocala. #thentra #sales #equine #horses



ntra_legislative WTBOA is in full force today. It's the Summer Yearling and Mixed Sale. Bidding just started, so there's still time to join us. #yearlings #buyersmarket #mixedsale



ntra_legislative The sun is shining and the horses out. Come on by the #OBSApril sale. #thentra #yearlings #sales



ntra_legislative #Keeneland September is under way. Visit us today and tomorrow. #yearlings #sales



ntra_legislative September in Kentucky means one thing: #Keeneland. Books 1-6 run through September 25. #thentra #sales #equine #horses #yearlings



ntra_legislative #Keeneland November is under way. Bundle up and come out. #breedingstock



ntra_legislative Saratoga. One of the most gorgeous places in the northeast, especially when it's time for #FasigTipton. #thentra #sales #equine #horses



ntra_legislative 2YOs-in-Training Sale going on now in sunny Florida. #equine #raceready #gulfstreampark #FasigTipton



ntra_legislative The sun is shining and the horses out. Come on by the #FasigTipton July sale. #thentra #sales #equine #horses



ntra_legislative Horses and the beach. Now that's a winning combo. Stop by the #Barretts sale tomorrow. #paddocksale #raceready



ntra_legislative We've got our eye on you. Watch all the action at #FasigTipton November. #thentra #sales #equine #horses

2017 SALES CALENDAR

Buyers and sellers may support the NTRA's ¼% Check-off Program at these 2017 sales from NTRA partners.*

JANUARY

9-13 Keeneland January Horses of All Ages Sale
17 Barretts January Mixed Sale
25-26 OBS Winter Mixed Sale
29 Fasig-Tipton Midlantic Winter Mixed Sale

FEBRUARY

6-7 Fasig-Tipton Kentucky Winter Mixed Sale

MARCH

1 Fasig-Tipton The Florida Sale
14-16 OBS March Sale of Two-Year-Olds in Training
29 Barretts Select Two-Year-Olds in Training Sale

APRIL

25-28 OBS Spring Sale of Two-Year-Olds in Training

MAY

9 Equine Sales Two-Year-Olds in Training Sale
17 Barretts May Sale of Two-Year-Olds in Training
& Horses of Racing Age
27 Fasig-Tipton Midlantic Two-Year-Olds in Training Sale

JUNE

13-14 OBS June Two-Year-Olds and Horses of Racing Age Sale

JULY

10 Fasig-Tipton The July Sale
11 Fasig-Tipton Summer Selected Horses of Racing Age Sale
26 Barretts The Paddock Sale of Race Ready Horses

AUGUST

7-8 Fasig-Tipton The Saratoga Sale
12-13 Fasig-Tipton New York-Bred Yearlings
22 WTBOA Summer Yearling and Mixed Sale
29 Barretts August Select Yearling Sale
31 Equine Sales Consignor Select Yearling Sale

SEPTEMBER

10 Fasig-Tipton The Turf Showcase
11-23 Keeneland September Yearling Sale

OCTOBER

3 Fasig-Tipton Midlantic Fall Yearlings
10 OBS Selected Sale of Yearlings
11-12 OBS Fall Mixed Sale
15 Equine Sales Open Yearling and Mixed Sales
16 Fasig-Tipton The Saratoga Fall Sale
17 Barretts Fall Sale of Yearlings and Horses of Racing Age
23-25 Fasig-Tipton October Sale

NOVEMBER

6 Fasig-Tipton The November Sale
7-18 Keeneland November Breeding Stock Sale

DECEMBER

No sales scheduled

*Sale dates subject to change

NTRA VIDEOS PROMOTING THE CHECK-OFF PROGRAM AND LEGISLATIVE ADVOCACY

Click image to play video



NTRA ADVANTAGE MEMBERSHIP BENEFITS

NTRA Advantage is a for-profit subsidiary of the NTRA that forms partnerships and sells products and services at reduced cost to more than one million members and affiliated members of the NTRA. Advantage partners include John Deere, Sherwin-Williams, Office Depot, Nationwide, and more. Major member groups include Breeders' Cup nominators, as well as members of the Thoroughbred Horsemen's Association, Thoroughbred Owners and Breeders Association, and Thoroughbred Owners of California. Affiliate members include the American Quarter Horse Association, Equine Canada, United States Equestrian Federation and the United States Trotting Association. Since 2002, NTRA Advantage has saved industry members nearly \$150 million. Purchases by equine members through the group purchasing programs average over \$50 million annually with annual savings exceeding \$10 million.






Visit www.NTRAadvantage.com or call toll free 866-678-4289 for up-to-date partner information, including special pricing.

FARM MANAGERS, OWNERS, BREEDERS, HECK EVEN A

HORSE

KNOWS NTRA ADVANTAGE DISCOUNTS MAKE A LOT OF

SENSE.

 JOHN DEERE Up to 28% off*	 SHERWIN WILLIAMS Up to 40% off	Office DEPOT 10-70% off
 Up to \$20 Rebate Per Roll	 Preferred Pricing	 Special pricing on Wooden Structures, Waste and Material Handling Products

A percentage of every sale is returned
to the equine industry!

Call us toll-free at **866-678-4289**
or visit **www.NTRAadvantage.com**.

*Some restrictions apply

NTRA'S FEDERAL LEGISLATIVE STRATEGY

The NTRA's government relations team performs a broad array of legislative advocacy services for the horse racing and breeding industry. Working closely with the NTRA membership and Board of Directors, the team determines the industry's governmental priorities and then develops a comprehensive legislative strategy to achieve these priorities. The current strategy includes building relationships with members of Congress and their staffs, educating them on industry issues and concerns and introducing lawmakers and staff to industry members in the field.

The government relations team is in daily contact with The Alpine Group, the NTRA's lobbying arm based in Washington, D.C. The Alpine Group's guidance and expertise are invaluable and help move the horse industry's legislative agenda through Congressional processes. From meetings with Congressional staffers and members of Congress to bill drafting to committee mark-ups, hearing and votes, The Alpine Group provides the expertise essential to effective advocacy.

Another key member of the NTRA government relations team is Davis and Harman partner Thomas A. (Tad) Davis. Davis provides the NTRA membership sophisticated tax advice and advocacy. Whether it is economic incentives to encourage the breeding and sale of horses or the elimination of onerous taxation of pari-mutuel wagering, government policy has an enormous impact on the economics of horse racing. Davis provides the NTRA government relations team with the expertise necessary to achieve progressive federal tax policy.

One essential element of an effective advocacy strategy is fundraising. The NTRA primarily builds financial support through its Legislative Action Campaign's ¼% Check-off Program at major Thoroughbred auctions. Industry members who buy and sell at Keeneland, Fasig-Tipton, Ocala Breeders' Sales Company, Barretts Sales and Washington Thoroughbred Breeders & Owners Association may contribute one quarter of one percent of each horse's sale price to help fund the Campaign.

Industry members also support NTRA fundraising through the Foal Program, a bi-annual direct mail effort targeting owners and breeders who may not buy or sell at auction. Contributions start at \$50 per foal.

Campaign finance also is important to NTRA advocacy. The NTRA government affairs team organizes and participates in fundraisers on behalf of Horse PAC®, the political action committee of the NTRA. Horse PAC® has disbursed more than \$3.5 million to upwards of 300 federal political candidates and leadership PACs over the past 15 years – more than Caesars Entertainment, the NFL and Major League Baseball spent over the comparable period. [Click here to read the 2016 Horse PAC® Annual Report.](#)

Another component of the NTRA's government advocacy efforts is the NTRA Safety and Integrity Alliance. Formed in 2008, the Alliance is a standing organization whose purpose is to advocate for the establishment of national uniform standards and practices in the areas of human and equine safety as well as integrity in conduct of horse racing. While the NTRA legislative priorities are federal in scope and application, the Alliance provides guidance at the state level through accreditation of tracks found to be in compliance with the Alliance Code of Standards. The Alliance Code is enforced in large part by regulations issued and enforced by state racing commissions. Alliance certification standards cover six broad areas: injury reporting and prevention; a safer racing and training environment; uniform medication, testing and penalties; jockey safety and health; aftercare and transition of retired racehorses; and wagering security. The Code further sets standards with respect to compliance and enforcement and is amended as new research recommendations warrant.

The horse racing industry is part of a \$39 billion agri-business touching every state. Each year, nearly \$11 billion is wagered on horse racing nationwide. Governmental regulation and oversight are critical to horse racing's economic development and long term survival. For this reason, the NTRA dedicates significant resources to protecting and promoting horse racing on Capitol Hill.

Starting with a landmark 2000 amendment to the Interstate Horseracing Act that paved the way for online betting on pari-mutuel horse racing, the NTRA has built a significant presence on Capitol Hill. The NTRA has strengthened its presence even as federal lobbying expenditures by all industries have skyrocketed. The chart below shows the tremendous growth in lobbying expenditures across all industries, including the gambling sector in particular.

YEAR	LOBBYING – ALL INDUSTRIES	LOBBYING – GAMBLING INDUSTRY
2000	\$1.56 billion	\$15.34 million
2016	\$3.15 billion	\$36.87 million

As part of the gambling industry, the NTRA in 2016 spent less than one tenth of the amount spent by just one casino operator – Caesars Entertainment. None the less, our strategic approach to government relations allows us to accomplish our objectives without the extraordinary amounts expended by other groups.



The NTRA hosted a federal legislative briefing at Saratoga during the summer of 2016.

NTRA LEGISLATIVE ACTION CAMPAIGN FREQUENTLY ASKED QUESTIONS

What is the Legislative Action Campaign?

The Legislative Action Campaign empowers individual and corporate members of the NTRA to support federal legislative advocacy services for the horse racing and breeding industry.

How is the Legislative Action Campaign funded?

The Legislative Action Campaign raises funds through three programs: the ¼% Check-off Program, the Foal Program and Horseplayers' Coalition membership. For the former, buyers and sellers may support the Campaign by pledging ¼ of one percent of the price of their horses sold at Keeneland, Fasig-Tipton, Ocala Breeders' Sales Company, Barretts Sales and Washington Thoroughbred Breeders and Owners Association. Every \$1,000 in a horse's sale price equates to \$2.50 to the Campaign. Individuals who choose to not participate in auction sales may pledge contributions through the NTRA Foal Program. Others may support the Campaign by joining the Horseplayers' Coalition, whose objective is to seek legislative and regulatory solutions to tax and business issues that impact pari-mutuel racetracks and their customers.

How do I participate?

Sellers, consignors and designated agents may "pre-commit" their pledge on sales entry forms for the ¼% Check-off. Sellers who miss the deadline for pre-commitments can pledge until the close of sale billing. Buyers may include their contribution when submitting payment or by responding to an NTRA-generated invoice. Owners and breeders may contribute through the Foal Program. The NTRA solicits contributions to this program through a bi-annual direct mail campaign. Horseplayers may contribute when joining the NHC Tour.

How can Federal lobbying help make our industry more competitive?

By securing tax legislation that benefits industry stakeholder groups such as horse owners, breeders, racetracks, advance deposit wagering service providers and horseplayers and by addressing select issues that directly impact the economics of racing, such as taxation, Internet wagering, immigration, and matters that affect farmers, ranchers and other agricultural producers.

How does the NTRA lobby on Capitol Hill?

NTRA fields a government relations team based in Lexington, KY and retains Washington, D.C.-based The Alpine Group to lobby on federal issues specific to pari-mutuel horse racing and breeding. NTRA coordinates with the American Horse Council on legislative advocacy issues that impact all equine breeds and disciplines.



NTRA FUNDRAISING PROGRAMS

What's the Difference?

	Legislative Action Campaign	Political Action Committee
Common Names:	"¼ Percent Check-off Program"	"Horse PAC®" or "NTRA PAC"
Contribution Uses:	Contributions are used to support Federal legislative advocacy to benefit the racing and breeding industries.	Contributions are not co-mingled with NTRA corporate funds and may only be used to support political candidates and parties at the Federal level.
Contribution Limits:	There is no limit on the amount that can be contributed. Individuals and corporate entities like partnerships and farms can participate.	\$5,000 per individual, per year. Spouses of individual members may also contribute \$5,000 each. Contributions from corporations are not accepted.
Payment Methods:	Thoroughbred buyers and sellers contribute ¼% of the price of a horse sold at public auction to the NTRA's Legislative Action Campaign. Note these alternative ways to contribute: Owners/breeders and others who do not participate in auction sales may contribute through the Foal Program. NHC Tour players may contribute when joining.	Personal check or credit card (VISA, Discover, MasterCard or American Express), payable to Horse PAC® and addressed to: Peggy Hendershot Horse PAC® 401 W. Main Street, Suite #222 Lexington, KY 40507 NEW: Horse PAC® now accepts online contributions
Deductibility:	Not tax deductible.	Not tax deductible.
Added benefits:	Supporters are automatically eligible to receive preferred pricing on products and services from companies like John Deere, Sherwin-Williams, Office Depot, Nationwide and UPS through NTRA Advantage. Visit www.NTRAadvantage.com or call toll free 866-678-4289 for more information.	Horse PAC® supporters are automatically eligible to receive preferred pricing on products and services from companies like John Deere, Sherwin-Williams, Office Depot, Nationwide and UPS through NTRA Advantage. Visit www.NTRAadvantage.com or call toll free 866-678-4289 for more information.
Membership:	Participants automatically become NTRA members and may be PAC-eligible (see column to the right).	Contributors must be NTRA members.
Citizenship Requirements:	Open to U.S. citizens and foreign nationals.	Contributors must be U.S. citizens or permanent resident aliens.
NTRA Contact:	Joe Bacigalupo 859-422-2677 joeb@ntra.com	Peggy Hendershot 859-621-6929 phendershot@ntra.com

INDUSTRY THANK YOU

The NTRA extends its sincere appreciation to the following industry leaders for their generous support of the Legislative Action Campaign.





FOR MORE INFORMATION CONTACT:

Joe Bacigalupo

Sr. Director of Government Relations & Membership Development

859-422-2677

www.SupportHorseRacing.org