



2012 Annual Report



LETTER FROM NTRA

Dear Supporters,

We are pleased to present you with the 2012 NTRA Legislative Action Campaign Annual Report. This report summarizes the work last year of the NTRA's federal legislative team and provides other information that supports this area of focus for the association.

Highlights of the 2012 Annual Report include:

- Federal legislative summary that features updates on key issues and legislation that face the horse racing industry
- List of 2012 contributors
- NTRA Advantage Membership Benefits summary
- Summary of the 2013 investment incentives

We are grateful to those individuals and industry organizations who participated in the Legislative Action Campaign in 2012. Your involvement allows the NTRA to serve the industry through our federal legislative advocacy in Washington, D.C. and we look forward to working for you in 2013.

With Appreciation,



Joe Bacigalupo

Director of Government Relations & Membership Development

TABLE of CONTENTS

Letter from NTRA	1	NTRA Legislative Action Campaign Primer	9
2012 Legislative Summary	2 - 3	Fundraising Program Comparison	10
NTRA's Federal Legislative Strategy	4	Acknowledgements	11
NTRA Advantage Membership Benefits	5	2013 Investment Incentives	12
Contributors	6 - 8		



NTRA MISSION STATEMENT

To improve the popularity of Thoroughbred horse racing and to improve economic conditions in the industry for NTRA stakeholders.

2012 LEGISLATIVE SUMMARY

The 2012 elections had a significant impact on the second session of the 112th Congress. Not only did Congress operate under an abbreviated calendar for late summer/early autumn to accommodate lawmakers on the campaign trail, but members of Congress also chose to delay serious debate on a wide range of important issues until after the election during the lame duck session. As a consequence of this delay and the eventual lack of progress on important issues, when the 112th meeting of the legislative branch of the federal government concluded on January 3, 2013, it was labeled as the most ineffective Congress ever recorded in terms of the number of public laws passed.

Despite the gridlock and overall lack of activity, the 112th Congress did ultimately pass the American Taxpayer Relief Act (ATRA) which extended most of the Bush-era tax cuts for the majority of Americans. This last-minute legislation also included multiple provisions that benefit those in the horse racing industry.

Bonus depreciation had been expected to expire in 2013 but instead was reinstated as part of ATRA at 50 percent, just as it had been in 2012. The expense allowance, another popular investment incentive added to the federal tax code to counteract the effect of the recent economic downturn, was scheduled to be lowered from \$125,000 to \$25,000 for 2013; but it too was extended into 2013. And even better, the expense allowance was increased to \$500,000 in 2013 and made retroactive to 2012 at the \$500,000 amount as well. These investment incentives have existed at various levels over the past several years and the new levels for 2013 will help bloodstock markets continue to recover.

Following targeted lobbying by the NTRA, Congress also included language in ATRA that protects horseplayers from a newly enacted cap on itemized deductions. The language inserted as a consequence of our advocacy permits horse racing's customers to deduct their gambling losses up to the amount of their winnings, regardless of any limit on itemized deductions. A different outcome could have had a severe negative impact on pari-mutuel handle.

The NTRA actively monitored several online gambling bills introduced in the 112th Congress. We also worked closely with certain lawmakers on specific online poker legislation that was never introduced. In each case, our goal was to oppose such legislation unless racing's interests in the online market were adequately protected. In any event, there was no progress on any federal online gambling legislation in 2012. The outlook for such legislation in 2013 is unclear.

Below are summaries of current federal legislative issues which may have a material effect on Thoroughbred racing and breeding. As the lead advocates for Thoroughbred racing in Congress, the NTRA monitors these and other bills on a daily basis. With the American Horse Council, the NTRA also educates members of Congress regarding key areas affecting the horse industry including agriculture economics and immigration.

Taxes

In the final days of the 112th Congress, negotiations over tax rates and provisions resulted in an agreement that extended the 50 percent bonus depreciation; increased the expense allowance to \$500,000 in 2013; and made the \$500,000 expense allowance retroactive to property purchased in 2012. Absent Congressional action, bonus depreciation would have been eliminated. The expense allowance, originally \$125,000 for 2012, would have reverted to \$25,000 in 2013.

Following targeted lobbying from the NTRA, Congress also approved language in the same bill that exempts wagering losses from being subject to the newly enacted limitation on itemized deductions. The language ensures that horseplayers can continue to deduct wagering losses against their winnings.

In the 2007/2008 and 2009/2010 Congresses, NTRA secured introduction of the Pari-mutuel Conformity and Equality Act of (PACE Act) in the House of Representatives. The bill would eliminate the automatic federal tax withholding on pari-mutuel winnings of \$5,000 or more at odds of at least 300-1. Pari-mutuel winnings are subject to automatic federal tax withholding, reducing players' liquidity during handicapping and impacting pari-mutuel handle and purses. Withholding levels for pari-mutuel winnings were last changed (from \$1,000 to \$5,000) in 1992. The PACE Act was not introduced as a stand-alone bill in 2011/2012, but the language – along with language that would double IRS reporting requirements for pari-mutuel winnings from \$600 to \$1,200 – remains a top issue for the NTRA.

Animal Welfare

For the last decade, horse slaughter legislation has been introduced at the federal level. More recently, bills to address medication in horse racing have been introduced. For different reasons, both issues have proven polarizing and resulted in little Congressional action.

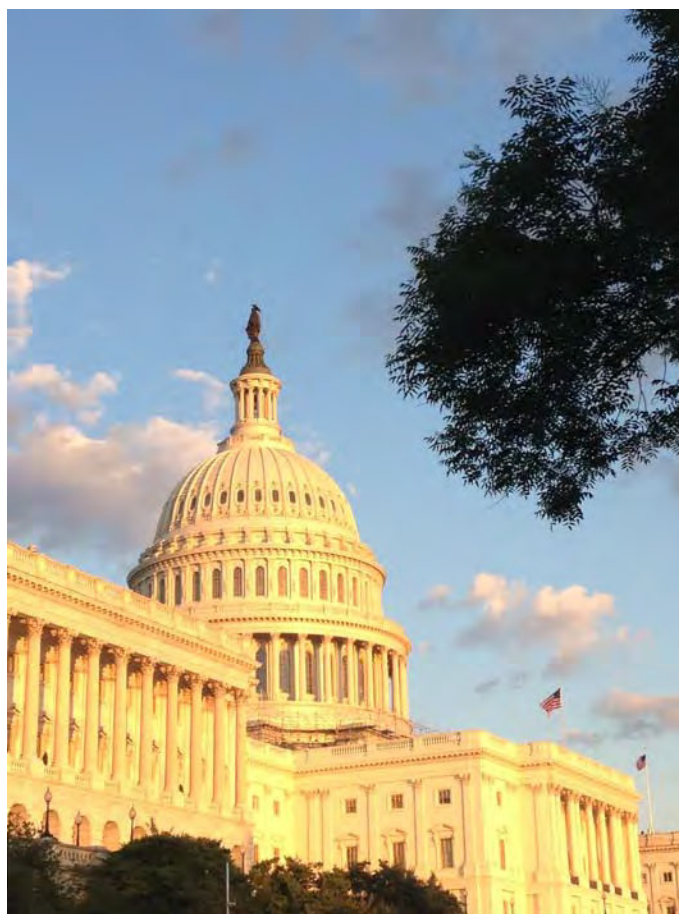
American Horse Slaughter Prevention Act (H.R. 2966/S. 1176)

Introduced by Rep. Dan Burton (R-IN) and Senator Mary Landrieu (D-LA), respectively, H.R. 2966/S. 1176 amends the Horse Protection Act to prohibit the shipping, transporting, moving, delivering, receiving, possessing, purchasing, selling, or donation of horses and other equines to be slaughtered for human consumption.

Passage of an appropriations bill late in 2011 re-instituted funding for government meat inspectors to operate at horse slaughter plants located in the U.S. Without inspectors, the U.S. had a *de facto* ban on horse slaughter and animals were shipped to Canada or Mexico. Several states are now examining whether to (re)open horse slaughter facilities. In the meantime, the European Union, a major market for U.S. horses slaughtered in Canada and Mexico, instituted a requirement for lifetime medication records for slaughter-bound horses, effective August 1, 2013. Canada ceased accepting slaughter-bound horses from the U.S. in October 2012.

Immigration

Congress paid scant attention to immigration reform in 2011/2012. New H-2B wage rules that would have resulted in significant wage increases were put on hold through a defunding of programs to implement the changes. In a bipartisan effort, several leading Senators have vowed to take up immigration matters in the 113th Congress and already have made good on this promise. In January 2013, President Obama and the aforementioned group of Senators each offered a framework that could lead to legislation later this year designed to overhaul the nation's immigration laws.



NTRA'S FEDERAL LEGISLATIVE STRATEGY

The NTRA's Lexington, Ky.-based 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 on Capitol Hill. 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, hearings 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 Tad Davis. Davis provides the NTRA membership with a sophisticated tax advice and advocacy. Whether it's 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, Washington Thoroughbred Breeders & Owners Association and Breeders' Sales Company of Louisiana may contribute one quarter of one percent of each horse's sale price to help fund the Legislative Action Campaign.

Campaign finance also is important to NTRA advocacy. The NTRA government affairs team organizes and participates in political fundraisers on behalf of Horse PAC, the political action committee of the NTRA. In 2012, NTRA Horse PAC was the third leading gaming PAC by receipts, behind casino conglomerates Caesars International and MGM Resorts International.

Another component of the NTRA's government advocacy efforts is the NTRA's 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; safety equipment and a safer racing environment; medication and testing; health and safety of jockeys; aftercare of equine athletes; and wagering security. For more information on the NTRA's work to protect the interests of its members and the industry at both the state and federal level, visit www.SupportHorseRacing.org.

The horse racing industry is part of a \$39 billion agri-business touching every state. Each year, almost \$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	\$15.53 million
2012	\$3.28 billion	\$33.75 million

As part of the gambling industry, the NTRA in 2012 spent less than one tenth of the amount spent by just one casino operator – Caesars Entertainment. Our strategic approach to government relations allows us to accomplish our objectives without the extraordinary amounts expended by other groups.

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, OfficeMax, Valvoline and UPS. 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 over \$100 million. Purchases by NTRA members through the Advantage program average \$45 million annually.

Visit www.NTRAadvantage.com or call toll free 1-866-678-4289 for up to date partner information, including special pricing.



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Up to 30% off

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

*Some restrictions apply.

2012 LEGISLATIVE ACTION CAMPAIGN CONTRIBUTORS

A & A Ranch	Bona Venture Stables	Claiborne Farm	Anthony J. Didier	Garey Ranches
James P. Abel	Bongo Racing Stable	Patricia Clark	Nancy Dillman	Geocel Ranch
John H. Adger	Bortolazzo Stables	Clarkland Farm	Kim Dionne	Germania Farm
Airdrie Stud	Bo Torrecilla Alta	Robert A. Clary	David DiPietro	Gessler Racing
Airlie Stud	Lynne Boutte	Classic Bloodstock	Alfred Di Rico	Don Gibb
Akindale Farm	William Bradley	Clear Creek Stud	Joseph Di Rico	Cornelia Gibson
Alan Booge Racing	Randy Bradshaw	Nelson E. Clemmens	Michael R. Di Tomasso	Ruthie Gibson
Hector Alcade	Luis Bravo	Clopton Green Farm	James Divito	Chester Gilleo
Randy Alderson	Ian Brennan	Club Risque Stable	James A. Dodge	Glendalough
Allied Bloodstock	Briarbrooke Farm	Colts Neck Stable	James Driver	Glen Hill Farm
Fred Allor	Britannia Farm	Columbiana Farm	Arthur & Mary Ann	Glen Oak Farm
Neal M. Allread	Brookdale Sales	Columbine Stables	Dudzinski	Glenmalure Farm
Almagest Farms	Ronney W. Brown	James M. Connors	Gerry Duffy	Reina E. Gonzalez
Sheikh Joaan Al Thani	Stephen R. Brown	Barry & Carol Conrad	Dunwoody Farm	Ricardo Gonzalez
American Legacy	Brushwood Stable	David E. Conway	Tim Durborow	Sal Gonzalez, Jr.
Sally J. Andersen	BryLynn Farm	Copper Penny Stables	Dye Racing	Carrie E. Goodfellow
Denny Andrews	Buckley Farm of Ocala	Albert P. Coppola	Eagle Oak Ranch	Good Luck Farm
Arindel Farm	Buck Wild Stable	Kory & Rhonda Cornum	Eaton Hall Farm	Brady & Misty Grady
Jack Armstrong	Built Wright Stable	Beth Correa	Eaton Sales	Lorna Gray
Taylor Asbury	Christian & Carolyn	Corrigan Racing	Donnell Echols	James H. Greene, Jr.
Ashview Farm	Bulloch	David Cottle	Edition Farm	Greenfield Farm
A Step Up	Burleson Farms	Country Life Farm	Jeff Einardt	Jeffery L. Greenhill
Audley Farm Equine	Mike & Jeanne Burns	Adam Coursey	Michael R. Ellis	Mark B. Grier
George Autry	Juan Cajigas	Edward A. Cox, Jr.	Elm Tree Farm	Grovendale
B & D Thoroughbreds	Bret Calhoun	Dr. Ruel Cowles	Empire Equines	Mary & Clifford Grum
BG Stables	Gerald M. Calhoun	Crestwood Farm	Charles F. Engel	Gulnur Gulerce
B & E Houck Leasing	Calumet Farm	Crowning Point Farm	Daren English	Jeffrey Gural
Baccari Bloodstock	Don Campbell	Crystal Eclipse Farm	Terry Eoff	John Guzik
Steven Ballou	Carmalley Valley Farm	Crystal Meadows Farm	Equine Analysis	H. J. & I. Elkins Racing
Ballyhane Stud	Riley L. Carr	Dan Cummins	Equus Farm	Stable
William Banahan	Webb Carroll	Dr. John R. Cummins	Robert Falcone	Hackett Bros.
Hector H. Barajas	Carter Thoroughbreds	Dale Romans Racing	Jacqueline Falk	Thoroughbreds
Ryan Barbazon	Casey Family Farm	Ronald Daley	Falls Creek Farm	Mike Haggerty
Rozamund Barclay	Casner Racing	Dapple Stud	Fares Farm	Ryan Hanigan
Bartolome Mafla H.	Mark Casse	Darby Dan Farm	Farnsworth Stables	Clark Hanna
Richard G. Barton	Caton and Schwartz	Dark Hollow Farm	Fifteen Moons	Hannahill Farm
Beau Lane Bloodstock	Cattlemen Feeders	Darley USA	Tim Finily	Todd & Shawn Hansen
Beaver Dam Farm	John R. Ceary	Shawn Davis	Hugh Fitzsimons	Larry Hanson
Earl D. Bellamy	Chadds Ford Stable	Luis de Hechavarria	Five Oaks Construction	Happy Hill Farm
Bella Vista Farms	Champion Racing Stable	Rafael de Leon	Fleetwood Bloodstock	Hardacre Farm
Howard Belvoir	Chanceland Farm	De Luca & Sons Stable	Frank Fletcher, Jr.	John Hardy
Dr. Oscar Benavides	Chapel Hill Farm	Delehanty Stud Farm	Perry Flynn	Harris Farm
Polly Benson	Charlton Bloodstock	Dell Ridge Farm	Dr. Ted Folkert	Holly L. Harris
Ann Bernecker	Cherokee Equine	de Meric Sales	Dennis Foster	Ressa Harris
Besilu Stable	International	Barry Demus	Four Star Sales	William H. Harris
Best a Luck Farm	Chestertown Farm	Denali Stud	Foxborough Farm	Dr. John C. Harroff
Carolyn Beverly	Chiyoda Farm	Anthony J. DePaula	A. J. Foyt, Jr.	Harry L. Landry
Blackburn Farm	Sam Christian	Roberto Ortiz De Paz	John & Diane Fradkin	Bloodstock
Blue Sky Equine	Delores Christiansen	J. Keith Desormeaux	Frankfurt Stables	Hart Farm
Blue Sky Farm	Choctaw Racing Stable	Michael Desormeaux	Joseph S. Friedberg	Hartwell Farm
Bluegrass Hall	Chrys E. Chrys	John & Sue DeVault	Mr. & Mrs. Mitch Frisby	Eoin Harty
Bluegrass Thoroughbred	Joseph Ciaglia, Jr.	Robert D. DeWitt	Cary Frommer	Harvey Clarke Racing
Services	Cicero Farms	Diamond Crest Farm	Mark Frostad	Stable
Eugene Boehlke	Circle H Farms	Diamond D Ranch	Glen Gaddy	Blake Heap
Bona Terra Stud	Jeff Cissell	Mike Schiano Di Cola	Gainesway	Luis Hereu

2012 LEGISLATIVE ACTION CAMPAIGN CONTRIBUTORS (continued)

Joe Herrick	Danny Keene	Man o' War Farm	Northern Farm	Bryan Rice
William J. Herrick	Jon Kelly	Manuden Farm	Northview Stallion Station	Dr. J. David Richardson
Jeff Heslep	Kenelot Stables	Maple Leaf Farm	Northwest Farms	Right Time Racing
R. B. Hess, Jr.	Dan Kenny	Mapleton Thoroughbred Farm	Oak Lodge USA	Julie Rini
Hickory Tree Farm	Irving L. Kidwell	Robert Marcocchio	Joseph W. O'Brien	Riversedge Racing
John P. Hicks	Mark Kilpatrick	Mare's Nest Farm	Ocala Farm Corp.	John J. Robb
Hidden Brook	Kingfield Stables	Sigmund Margulies	Ocala Stud Farms	Edward S. Robbins III
Jim & Susan Hill	Kinross Corporation	Marion Horse Training	Ray Odom	Richard Robertson
Carolyn Hine	Robert A. Kinsley	Martin Associates	Off The Hook	Charles E. Robinson
Hinkle Farms	Kirkwood Stables	Mario Martinez	Carolyn Oldfield	J. Kirk & Judy Robison
Dixie Hitchcock	Klaravich Stables	Mathis Stables	Rick & Brenda Olson	Robson Thoroughbreds
Lathrop G. Hoffman	Byron H. Kluth	Maynard Farm	Doug F. O'Neill	Dr. William J. Robson
George Hoffmeister	Peter David Knoll	Dan McCanna	P. T. Thoroughbreds	Juan Andres Rodriguez
Harry R. Hoglander	Alice Knowles	Tim McCanna	Mike Paciera	Rosemont Stud
Hong Kong Jockey Club	Richard B. Kohnhorst	Anthony McCarthy	Francis J. Paolangeli	Andrew Rosen
Larry Horning	Milan Kosanovich	Tom McCrocklin	Anne S. Pape	Stephen Rudolf
Horses of Course	LRK Stable	Robert McDowell	Christina Pappalardo	Runnymede Farm
Fadi Hosen	L S Breeding & Racing	Art McFadden	Paramount Sales	Tyren H. Rushton
R. Errol & Barbara Houck	Lakeview Stables	David McKathan	John R. Parker	Lisa Russell
T. Bernard Houghton	Lakland North	McKenzie Bloodstock	Parris Hill Thoroughbreds	SF Bloodstock
Houston Farms	Lanco Well Services	McMahon of Saratoga	Darrin Paul	Paul Sabesky
Cynthia Howard	Beau Lane	Anthony Melfi	Peacefield	Marco P. Salazar
Huckleberry Farm	Lane's End Farm	Mersad Metanovic	Peachtree Farm	Bobby Salome
Dr. Simon N. Hudy	Michael Langford	Richard J. Meyer	Pecan Meadows Farm	Sangreal Investments
Michael Hui	Fernando R. Larrain	Harry & Tom Meyerhoff	William Peeples	Saratoga Glen Farm
Kevin Hulse	Debra K. Larson	Miklin Stable	Chuck Peery	Andrew Savas
Hunt and Smith Ventures	Late Night Stables	A. Stevens Miles, Jr.	Harvey Peltier III	Saturday Racing Stable
Hunter Valley Farm	Davant Latham	Mill Ridge Sales	Francisco Perez	Bernard G. Schaeffer
Hurstland Farm	Patricia Lavelle	Tammy Mills	Richard Perkins	Shamrock Farms
Hy Road Stable	Lazy Lane Farm	Anthony Mitola	Perrone Sales	Merrill R. Scherer
Ideal Partners	Ledgeland's Farm	Stacey Moak	Mike Phillips	Richard Schrag
Imagine	Anthony & Melanie Lema	Mongolian Stable	Pick of the Paddock	Chad Schumer
I'm In Racing Stables	Henry Leong	Dustin Montoya	Amaury Piedra	Fred Schwartz
Joseph Imperio	Lex, Inc.	Moonestone Sales	Pin Oak Stud	Cecil O. Seaman
Michael Imperio	Liebau Farms	Terry Morgan	Avla Pitts	Sebold Racing
Indian Creek Farm	Tommy G. Ligon	Fred Morgheim	Pleasant View Farm	Second Chance Stables
Dr. Daiva Jasulaitis	Jason Litt	Brent Morris	Popatop	Sue Sedlacek
Jon Jazdzewski	Live Oak Plantation	Moya Racing	Potrero Los Llanos	Select Sales
Jay Ar Dee Stables	Livin' The Dream Racing 2012	Kristin A. Mulhall	John H. Prather, Jr.	Seven Fold Farm
Jay Em Ess Stable	Duncan Lloyd	Mulholland Farm	Premier Ranch	Shadwell Estate Company
Jellicoe	Jessie & Stacy Longoria	Jerome J. Myers	Hilary Pridham	Shadwell Farm
Patrick Jenkins	Jose Lopez	N W Management	Cheryl Prudhomme	Shadybrook Farm
Rodney Jenkins	Joseph Lowe	Jerry Namy	REV Racing	N. H. Shannon
Mark Jensen	Robert A. Lucas	Navesink River Stable	R. A. Hill, Inc.	Joe K. Shaw
Jer-Mar Stable	M J Stable	Michael Neatherlin	R.C. Cline Thoroughbreds	Dr. Raymond G. Shea
Jayne Johnson	M. R. Cho Stables	Erika Neuberg	Tom E. Ramsey	Toby Sheets
L. William Johnson	MsM Stable	Paul Newhart	Gayla Rankin	Joseph V. Shields, Jr.
Aaron & Marie Jones	Michael R. Macey	Newstead Farm	Sandra Rasmussen	Luis A. Shirley
Russell B. Jones, Jr.	Earle I. Mack	Niall Brennan Stables	David Ratko	Shortleaf Stable
Walter Jones	Chris Madden	Nick Sanna Stables	Red Bank Farm	Nancy Shuford
Tonya Jurgens	Patrick W. Madden	Craig Niles	Reddam Racing	Sienna Farm
K. C. Garrett Farm	Preston Madden	Kevin M. Nish	Red Wings Enterprises	Simmons & Associates
Forrest Kaelin	Scott Mallory	Nolan Creek Farm	Eric Reed	Gordon Simmons
KatieRich Farm	Joe Manni		William S. Reightler	Robert Simonick
Keene Ridge Farm			Renpher Stables	Kim Smith

2012 LEGISLATIVE ACTION CAMPAIGN CONTRIBUTORS (continued)

Smitten Farm	Stonestreet Thoroughbred	The Holly and Ivy Stable	Upson Downs Farm	Whispering Oaks Farm
Gary Snoonian	Holdings	The Posse	Val-U-Chem	White Oaks Farm
Guy & Diane Snowden	Callan Strouss	Sally Thomas	VanMeter Sales	John Willard
Somewhere Stable	Roy Sturgeon	Tim Thornton	Very Un Stable	Kathleen Willier
William P. Soren	Sugarland Thoroughbreds	Three Chimneys Sales	Ian Vickers	Willow Oak Farm
Praven Sorensen	Sugar Maple Farm	Timber Creek Farm	Victory Cigar Racing	Willow Racing
South Acre Bloodstock	Daniel J. Sullivan	Timber Town Stable	Stable	Carolyn Wilson
Southern Cypress Stable	Summer Wind Farm	Tip Ranch	Carolyn R. Vogel	Winding Lane Farm
Southwind Stables	Sunny Oak Farm	Glenn Todd	Vossfeld Bloodstock	Joseph Winick
Span Investments I	Sunnyfield Farm	Cheryl Toole	John Wade	Carole & David Winpigler
R. Townsend Sparks	Super Horse	Mark Toothaker	Waggoner Farm	Wintergreen Farm
Roger Spiess	Jack Swain	Top Line Sales	Linda Walls	Winticket Farm
Springdell Farm	Swezey and Partners	Traton Homes	Anne L. Walsh	Wolver Hill Farm
Springland Farm	T and L Equine	Joe Treffiletti	Ted Walsh	Mr. & Mrs. M. L. Wood
Spyglass Entertainment	T/C Stable	Triple T Ranch	Warrendale Sales	Eddie Woods
Danny Stafford	Paula Taube	Tri Star Stables	Watermill Farm	Gayle Woods
Larry I. Stein	Taylor Made Sales Agency	Robert B. Trussell, Jr.	Wavertree Stables	Woodstock Racing Stable
Heinz J. Steinmann	David P. Taylor	Truston Stables	George Weaver	Young Thoroughbreds
Archie St. George	Heidee Taylor	Lisa & Tim Turney	Jolane Weeks	Steven W. Young II
St. George Farm	Rick E. Taylor	Twin Oaks Training	Stephen B. Weissman	Arnold Zetcher
Wayne Stockseth	Team Valor	Twin Stars Racing Stable	Ernie Wells	Rodney Zimmerman
Stone Bridge Farm	John Terranova	Twin Willow Farm	Kari Provost Wells	
Stone Ridge Farm	Texas Toyco	Two Turn Farm	Robert Werneth	
Stoneleigh Farm	The Acorn	Otabek Umarov	R. C. Wheeler	

NTRA LEGISLATIVE ACTION CAMPAIGN PRIMER

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 industries.

How is the Legislative Action Campaign funded?

The Legislative Action Campaign raises funds through three programs: the ¼% Check-off, the NTRA Foal Registration Program and Horseplayers' Coalition membership. For the former, buyers and sellers may support the Campaign by pledging ¼ of one percent on the price of their horses sold at Keeneland, Fasig-Tipton, Ocala Breeders' Sales Company, Barretts, Breeders' Sales Company of Louisiana 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 not to participate in auction sales may pledge contributions through the NTRA Foal Registration 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?

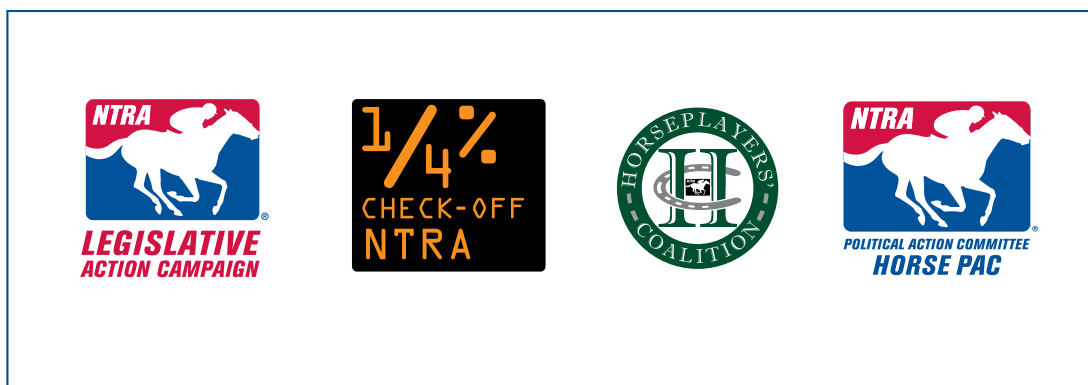
Sellers, consignors and designated agents may "pre-commit" their pledge on sales entry forms for the ¼% Check-off. Sellers who miss the deadline for pre-commitments can pledge until the close of the sale billing. Buyers may include their contribution when submitting payment or by responding to an NTRA invoice. Owners and breeders may contribute through the NTRA Foal Registration Program. The NTRA solicits contributions to this program through a bi-annual direct mail campaign. Horseplayers and other individuals may become members of the Horseplayers' Coalition when joining the *Daily Racing Form*/NTRA National Handicapping Championship (NHC) Tour or by visiting www.HorseplayersCoalition.com.

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 the Washington, D.C.-based 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 for issues that impact all equine breeds and disciplines.



FUNDRAISING PROGRAM COMPARISON

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:	<p>Thoroughbred buyers and sellers contribute ¼% of the price of a horse sold at public auction to the NTRA's Legislative Action Campaign.</p> <p>Note these alternative ways to contribute: Owners/breeders and others who do not participate in auction sales may contribute through the NTRA Foal Registration Program. Horseplayers' Coalition members contribute \$25 when joining.</p>	<p>Personal check or credit card (VISA, Discover, MasterCard or American Express), payable to Horse PAC and addressed to:</p> <p>Peggy Hendershot Horse PAC 2525 Harrodsburg Road, Suite 510 Lexington, KY 40504</p>
Deductibility:	May be tax deductible as an ordinary business expense.	Not tax deductible.
Added benefits:	Supporters are automatically eligible to receive preferred pricing on products and services from companies like John Deere, Sherwin-Williams, OfficeMax, Valvoline 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, OfficeMax, Valvoline 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 ORGANIZATION THANK YOU

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



UPDATED INVESTMENT INCENTIVES FOR 2013

Below is a summary of the 2013 investment incentives that were put in place through passage of the American Taxpayer Relief Act in January 2013. To maximize the benefit of the incentives, the NTRA suggests that industry members consult a tax professional before purchasing horses, farm equipment or other assets for their business. Visit www.SupportHorseRacing.org for additional resources.

Investment Incentives Reinstated & Increased For 2013



Bonus Depreciation

- 50% bonus depreciation in place for 2013
- Applies to horses, farm equipment and most other depreciable property
- Property must be purchased and placed in service prior to 1/1/2014
- Property must be new - original use of property must commence with taxpayer

Expense Allowance

- Expense allowance for horses, farm equipment and most other depreciable property is \$500,000
- Property must be purchased and placed in service prior to 1/1/2014
- Applies to new or used property
- Expense allowance is reduced by one dollar for each dollar of eligible property purchased that exceeds \$2 million
- Can be used to reduce taxable income derived from any business of taxpayer

[***www.SupportHorseRacing.org***](http://www.SupportHorseRacing.org)



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