



**LEGISLATIVE
ACTION CAMPAIGN**

2014 ANNUAL REPORT



LETTER FROM NTRA

Dear Supporters,

This 2014 NTRA Legislative Action Campaign Annual Report summarizes the work of the NTRA's federal legislative team and also provides a recap of the second session of the 113th Congress.

Additional features of the Annual Report include:

- List of 2014 contributors
- Photos from NTRA-attended events
- Contributor location map
- Fundraising videos
- What contributors are saying
- Contributor/membership benefits summary

We encourage you to provide this report to other industry members who share your interest in and passion for Thoroughbred racing and breeding.

The NTRA is pleased that over 750 individuals, farms and racing partnerships participated in either the ¼% Check-off program, Foal program or the Horseplayers' Coalition in 2014. This broad support enabled the NTRA's federal legislative team to represent a wide spectrum of horse industry groups on Capitol Hill in 2014. We look forward to serving in this role again in 2015.

With Appreciation,



Joe Bacigalupo

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.

2014 LEGISLATIVE SUMMARY

The second session of the 113th Congress in 2014 was conducted on a shorter schedule than the first session in 2013, as the House of Representatives and U.S. Senate worked 26 and 20 fewer days, respectively. This reduced schedule was prompted by the tremendous pressure brought on by the midterm elections.

Midterm election results were strong for the Republican Party as it gained control of the Senate and added to its majority in the House. The result is a divided federal government for the remaining two years of President Obama's last term. How this division will ultimately impact legislative production is uncertain.

A key development came during the Lame Duck session which followed the midterm election with passage of H.R. 5771, The Tax Increase Prevention Act of 2014. This bill passed both the House and Senate in December and retroactively renewed or increased investment incentives for all of 2014 that had expired at the end of 2013.

The NTRA was instrumental in drawing attention to yet another tax issue for the industry last year – horseplayer taxation. Specifically, the NTRA led an industry wide effort to ease the burden of tax reporting and withholding on racing's customers.

Other developments from the second session of the 113th Congress may impact Thoroughbred racing and breeding, including President Obama's executive actions in November granting protection from deportation to millions of undocumented immigrants and continued efforts to expand online gambling to include forms of gaming other than horse racing.

Below is a summary 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 equine industry as a whole, including agriculture economics and immigration.

Taxes

In a year marked by Congressional stalemates, the post-election Lame Duck session proved the most fruitful for the horse racing industry.

On December 16, a provision that retroactively extended three-year tax depreciation for all racehorses was passed by the United States Senate as part of H.R. 5771, the Tax Increase Prevention Act of 2014. The House of Representatives overwhelmingly passed H.R. 5771 earlier that month to extend retroactively through the end of 2014 numerous provisions that expired or were reduced at the end of 2013.

With the support of Senator Mitch McConnell (R-KY), the three-year depreciation schedule originally passed into law as part of the 2008 Farm Bill, giving the provision a five-year life span. In anticipation of the bill's sunset, Rep. Andy Barr (R-KY) in 2013 introduced the provision in a standalone bill, the Race Horse Cost Recovery Act, which became part of H.R. 5771.

"The renewal of three-year tax depreciation for racehorses indicates that lawmakers understand the contributions our industry makes to job creation and the country's overall economic health," said Alex Waldrop, NTRA President and CEO. "We are especially grateful to Senate Minority Leader Mitch McConnell and Rep. Andy Barr for their leadership and support of this provision, which is so important to horse owners and breeders."

The provision allows taxpayers to depreciate racehorses 24 months of age and younger when purchased and placed into service on a three-year schedule as opposed to a seven-year schedule. The accelerated schedule better reflects the length of a typical racehorse's career and is more equitable for owners.

H.R. 5771 also retroactively extends two other provisions that spur investment in racehorses:

"Bonus depreciation" permits taxpayers to depreciate in the first year 50 percent of qualified new depreciable property purchased and placed into service. Yearlings that an owner purchases and puts into a training program are one example of eligible property.

The "Section 179 expense allowance" remains set at \$500,000, with a \$2 million threshold for qualified new or used property purchased and placed in service. Total purchases of qualified property that exceed \$2 million reduce the taxpayer's expense allowance dollar for dollar. This provision applies to numerous businesses and activities within the Thoroughbred industry, including broodmare purchases; mares are eligible as used property because of their prior use as a racehorse or broodmare.

Tax reform that would have reduced the capital gains holding period for horses from two years to one and given the industry greater parity with other investments did not pass in 2014. The Equine Tax Parity Act, introduced in March 2013, received no further action in the 113th Congress but remains a priority for the NTRA in the 114th Congress.

IRS Reporting and Withholding Thresholds

In 2014, 17 members of Congress joined in supporting another key initiative of the NTRA, a request that the IRS clarify its definition of the "cost of a wager" in determining whether a winning horseplayer is subject to IRS reporting and withholding.

Senior members of the Department of Treasury subsequently met with the NTRA and other industry participants to learn more about the withholding issue. Also in attendance was Rep. John Yarmuth (D-KY), who has been instrumental in building support for modernizing current withholding rules to better and more fairly represent today's wagering menu.

Treasury Department officials indicated that action may be forthcoming as part of a review of IRS Form W2-G, used by taxpayers to report gambling winnings and any federal income tax withheld on those winnings. In March 2015, the Treasury Department and Internal Revenue Service (IRS) issued a Notice of Proposed Rulemaking and Public Hearing (Notice) that opens the door to the possible addition of pari-mutuel gambling winnings to updated reporting and withholding requirements being developed for bingo, keno and slot machine players. NTRA continues to work with the Treasury Department as well as supporters on Capitol Hill to change the definition of a bet or a wager.

Horseplayers wagering on pari-mutuel races currently are subject to reporting of winnings of \$600 or more and automatic federal tax withholding on pari-mutuel winnings of \$5,000 or more at odds of at least 300-1. The "cost of a wager," now defined simply 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 horseplayers. Withholding reduces players' liquidity during handicapping and adversely impacts pari-mutuel handle and purses. Withholding levels for pari-mutuel winnings were last changed (from \$1,000 to \$5,000) in 1992. Reporting levels have not changed since the mid-1970s.

This matter remains under review by Treasury officials. Visit the NTRA's website, NTRA.com, for updates.

Farm Bill

Congress passed a Farm Bill in 2014 whose provisions included expanded crop insurance in lieu of direct payment programs; restored and made permanent livestock disaster assistance (retroactive to 2011), which applies to horses, among other forms of livestock; consolidated conservation programs to improve local accountability and address regional priorities; authorized \$880 million in funding for on-farm energy programs; and authorized \$100 million for the Beginning Farmers and Ranchers Development Program.

Online Gambling

The question of whether to provide a federal tax and regulatory structure for online gambling (other than pari-mutuel wagering on horse racing, which is already regulated under the federal Interstate Horseracing Act), remained unresolved at the end of 2014. Bills that would have provided a federal apparatus languished while on the opposite end of the spectrum, casino mogul Sheldon Adelson sought an outright ban on online gambling.

In the meantime, states forged ahead with plans to allow online wagering with varying degrees of success. Nevada and Delaware created an interstate compact to allow online poker; New Jersey is offering online gaming but has stumbled with implementation of sports betting, which is opposed by most major sports leagues. The issue remains mired in the courts. Other states, including California, have online gambling under consideration, with online poker considered the most viable option. Several states, including Illinois, have also moved into online lottery sales, with Kentucky expected to join this growing list.

Animal Welfare

For over a decade, a variety of efforts have been made to secure a federal ban on horse slaughter with mixed results. No ban currently exists, but states have shown little sustained interest in having equine slaughter facilities and currently none operate in the United States. A chief proponent of efforts to ban horse slaughter, Sen. Mary Landrieu (D-LA), lost her re-election bid in 2014.

The Horseracing Integrity and Safety Act, introduced in 2013, would have provided the U.S. Anti-Doping Agency with authority to regulate and enforce medication usage for racehorses competing in races with simulcast wagering. Several Congressional hearings were held on the bill but a truncated Congressional calendar, occasioned by the 2014 elections, and a plethora of Congressional issues resulted in little action for the bill in the second half of the 113th Congress.

Immigration

Efforts at comprehensive immigration reform begun by the U.S. Senate in 2013 floundered in the House of Representatives in 2014. The White House responded to the impasse with an Executive Order (EO) in late November 2014 that would have extended legal rights to several million undocumented aliens.

According to the White House, the EO would help secure the border; prioritize deportations to focus on terrorists and felons; hold undocumented immigrants accountable by requiring them to pass a criminal background check and pay their fair share of taxes; and modernize the legal immigration system.

More than 20 states have joined efforts to overturn the EO, saying it is unconstitutional. The issue is likely to remain in the judicial system for the next several months.



WHAT NTRA CONTRIBUTORS ARE SAYING

“As hard as those of us in the industry are working each day on our farms, we can’t forget how important it is to have a ‘sixth man’ like the NTRA supporting our team in Washington.”

—*Josh Pons of Country Life Farm & Merryland Farm, Bel Air, MD*

“For our industry, it is fundamental for us to have eyes, ears and voice monitoring the activity in Washington. NTRA has provided this leadership and for that I am most appreciative and strongly support their efforts.”

—*Headley Bell of Mill Ridge Farm, Lexington, KY*

“Our farm lives are demanding enough. It’s good to know that the NTRA is there to promote our legislative needs. They have my continued support.”

—*Scott Mallory of Mallory Farms, Lexington, KY*

“Everything my family and I have is a result of us working in the Thoroughbred industry. We support the NTRA’s political efforts to keep the Thoroughbred industry a viable way of life for our family, and the hundreds of thousands of other families who make this business our way of life.”

—*Clovis Crane of Crane Thoroughbreds, Lebanon, PA*

“For Thoroughbred racing and breeding to flourish, we have to be engaged every day in Washington, promoting the interests of the sport and the breed. The NTRA does just that and deserves our support.”

—*Tom Hinkle of Hinkle Farms, Paris, KY*

“Thoroughbred owners, breeders, trainers, and backstretch employees are all busy people. Horse care is a seven-day-a-week job. Those of us who are focused on the horse need someone guarding our interests in Washington, D.C. The NTRA thankfully fills that role.”

—*Jeff Greenhill of Greenhill Racing, LaGrange, KY*

“It is of vital importance that every segment of this wonderful industry support the legislative efforts of the NTRA on a national scene. Things just don’t happen and we industry stakeholders need to be supportive of groups that see to it that the right things do happen. As a longtime owner/breeder, I have always found the NTRA to be responsive and always taking a leadership role. I do support their efforts and thank them.”

—*Donald Valpredo of Donald Valpredo Farms, Bakersfield, CA*

“If the NTRA isn’t advocating on behalf of the Thoroughbred industry in Washington, then who is? Now more than ever, our industry requires a presence in Washington and the NTRA is it. That’s just one of many reasons we support the NTRA.”

—*Bryan Lyster of Ashview Farm, Versailles, KY*

“Although I truly believe that the legislation requested for horse racing is very much aligned with helping solve today’s current hot topic of immigration and also necessary to perpetuate interest from U.S. investors, we can’t do it alone. I hope we all recognize the extraordinary accomplishments the NTRA has achieved for us and I, for one, thank them and will continue to be a strong supporter.”

—*Ernie Semersky of Conquest Stables LLC, Highland Park, IL*

“As an agent and owner in this industry, I see how the efforts of the NTRA indirectly affect every single person working at the racetrack and farms. We all greatly benefit from the presence of the NTRA in Washington.”

—*Alex Solis II of Solis/Litt, Los Angeles, CA*

“From time to time the NTRA has received flak from our industry that they don’t do enough, but the NTRA works tirelessly on Capitol Hill on issues that affect our livelihood. We want to give our children the opportunity to enjoy the Thoroughbred industry like we have and the NTRA’s continuous work in DC on our behalf will keep that legacy alive.”

—*Tommy & Wyndee Eastham of Legacy Bloodstock, Lexington, KY*

2014 LEGISLATIVE ACTION CAMPAIGN CONTRIBUTORS

A. Bianco Holdings	Beechwood Racing Stable	Larry Byer	Cross Keys Sales	Justin Evans
Abo Al Roos Stud Farm	Richard A. Bell	CFP Thoroughbreds	Crowning Point Farm	Everett Livestock
Academy House	Dr. Oscar Benavides	CJZ Racing	Crystal Eclipse Stable	Chris Ewing
Adena Springs	Allison Bennett	Caldara Farm	Robert Cunningham	Exclusive Equine Investments
Adena Springs North	Buddy Bensmiller	Calumet Farm	Patrick Curry	Fairway Farm
John H. Adger	Nick & B. J. Bentley	Alex G. Campbell	Thomas A. Curtis	Farfellow Farms
Agave Racing Stable	Dennis Behrman	Francis & Jessica Campitelli	DKW Racing	Dennis Farkas
John Agliodoro	Craig Bernick	David Cannizzo	D P Racing	Tracy Farmer
Ramon Aguayo	Besilu Stables	Canterbury Farm	Don Danard	William & Penny Fires
Akindale Farm	Best a Luck Farm	Cantium Bloodstock	Darby Dan Farm	Firsthome Thoroughbreds
Alan Booge Racing	Charles L. Biggs	Cardinal Racing Stable	Dark Hollow	William D. Fishback, Jr.
Alastar Thoroughbreds	Bigheart Thoroughbreds	Carl R. Moore Management	Darley	Fleetwood Bloodstock
Hector Alcalde	James Billingsley	Jean Carmichael	Dattd Farm	Perry Flynn
Randy Alderson	Jose A. Birriel, Jr.	Webb Carroll Training Center	Randall Davidson	Vincent J. Foglia
Alex Solis Bloodstock	Eric Bishop	Mike Carson	Albert Davis	Anthony J. Fontana
John Allen	Blackacre Farms	Cashmark Farm	John Davison	Forrest Chorus Farm
Fred Allor	Blackburn Farm	Justin Casse	Dee Tee Stable	Susan M. Forrester
Al Shaqab Racing	Black Horse Farm	James F. Caterbone	Dell Ridge Farm	Fort Christopher's Thoroughbreds
American Thoroughbred Ventures	Black n Bleu	Carmen Catizone	de Meric Sales	Dennis Foster
Mary Jo Amlie	Blackstone Farm	Kerry Cauthen	Denali Stud	Four Star Sales
Sally J. Andersen	Ron Blake	Centaur Farms	J. Keith Desormeaux	Joseph Fowler
Thomas Andreadakis	Blandford Stud	Centennial Farms	Devonleigh Farm	Foxharbor Farm
Denny Andrews	Margaret Bloss	Scott Centerse	Mike Schiano Di Cola	Albert Frassetto
Luis A. Archilla-Diaz	Blue Checker Thoroughbreds	Champion Racing Stable	Anthony J. Didier	Todd Frederick
Philip J. Arnold	Bluegrass Industries	Clinton Chan	Lou Dunn Diekemper	Freedom Stable
Ashbrook Farm	Bluegrass Thoroughbred Services	Chanceland Farm	David DiPietro	Cary Frommer
Larry D. Ashlock	Blue Sky Equine Mobile Vet	Dr. John A. Chandler	Dixie Farm	Alistar Fyfe
Ashview Farm	Service	Pramote Changsila	Caroline Dodwell	GEO SL
Audley Farm Equine	Blue Sky Farm	Charisma Stable	David Doering	GMB Racing
George Autry	Bluewater Sales	Charlton Bloodstock Agency	Franklin Dorman	GRS Stable
Aynesford Holdings	Bona Terra Stud	Chestertown Farm	Double Duck	Gainesway
B. B. E.	Bona Venture Stables	Chrys E. Chrys	Double K	Dr. Michael T. Gallivan
B. D. Gibbs Farm	Walter S. Borisenok	Susan Chu	Draper Farm	Juan Garcia
BHMF LLC	Boutté Sales	Circle H Farm	Dr. Luis Duco	Rafael Garcia
BWB Bloodstock	Kellie Bowers	Claiborne Farm	Bobby Duhon	Jose Garoffalo
Babcock Farm	William "Buff" Bradley	Clarkland Farm	Ciaran Dunne	Gar Oil Company
Baccari Bloodstock	Randy Bradshaw	Michael P. Cloonan	Kevin Eagen	Garrencasey Sales
Robert Bachelor	Brandywine Farm	Coffee Pot Stables	Eaton & Thorne	Gateway to Sanity Stables
John H. Baffa	Mark D. Breen	Kelly Colliver	Eaton Sales	John M. Gaver III
Bob Baffert	Brehon Farm	Jeffrey Columbo	Donnell Echols	Gemstone Farm
Stephen Baker	Niall Brennan	James M. Connors	Edition Farm	Genesis Racing
Wayne Bakke	Bridlewood Farm	Conover Stable	Peter Edwards	Cornelia Gibson
Ballantrae	Brittania Farm	Conquest Stables	Robert Ehrnrooth	Glenangus Racing
Jake Ballis	Christopher Britton	Copper Cap Farm	Eisaman Equine	Glen Oak Farm
Gary Barber	Brookdale Farm	Copper Penny Stables	Ela Racing Stable	Glendalough
Rozamund Barclay	Brookdale Sales	Coppertree Farm	Eliza Park International	Global Equus Thoroughbreds
Bardasian Stable	Brook T. Smith Investments	Corrigan Racing	Michelle Elliott	Richard L. Golden
Barely Able Farm	Darrell & Lendy Brown	David Cottle	Elm Tree Farm	Golden Goose Enterprises
James R. Barnawell	Shelley Brown	Cottonwood Stables	Empire Equines	Golden Oak Farm
Bar None Ranches	Brushwood Stable	Country Life Farm	Ends Well	Richardo Gonzalex
Michael Barro	Bucket List Farm	Dr. Ruel Cowles	Chris Englehart	Good Luck Farm
Bartolome Mafla H.	Bugle Hill Farm	C-Punch Ranch	Epona Two Stable	Gooree Park Stud
Tom & Elizabeth Baxter	Burleson Farms	Crane Thoroughbreds	Equus Farm	Grady Racehorses
Bay Cove Farm	Burning Sands Stable	Crestwood Farm	Erin-American Bloodstock	Grand Oaks
Bear Stables	Barry & Joni Butzow	Bryan Cross	Jose Luis Espinoza	Grassroots Training & Sales

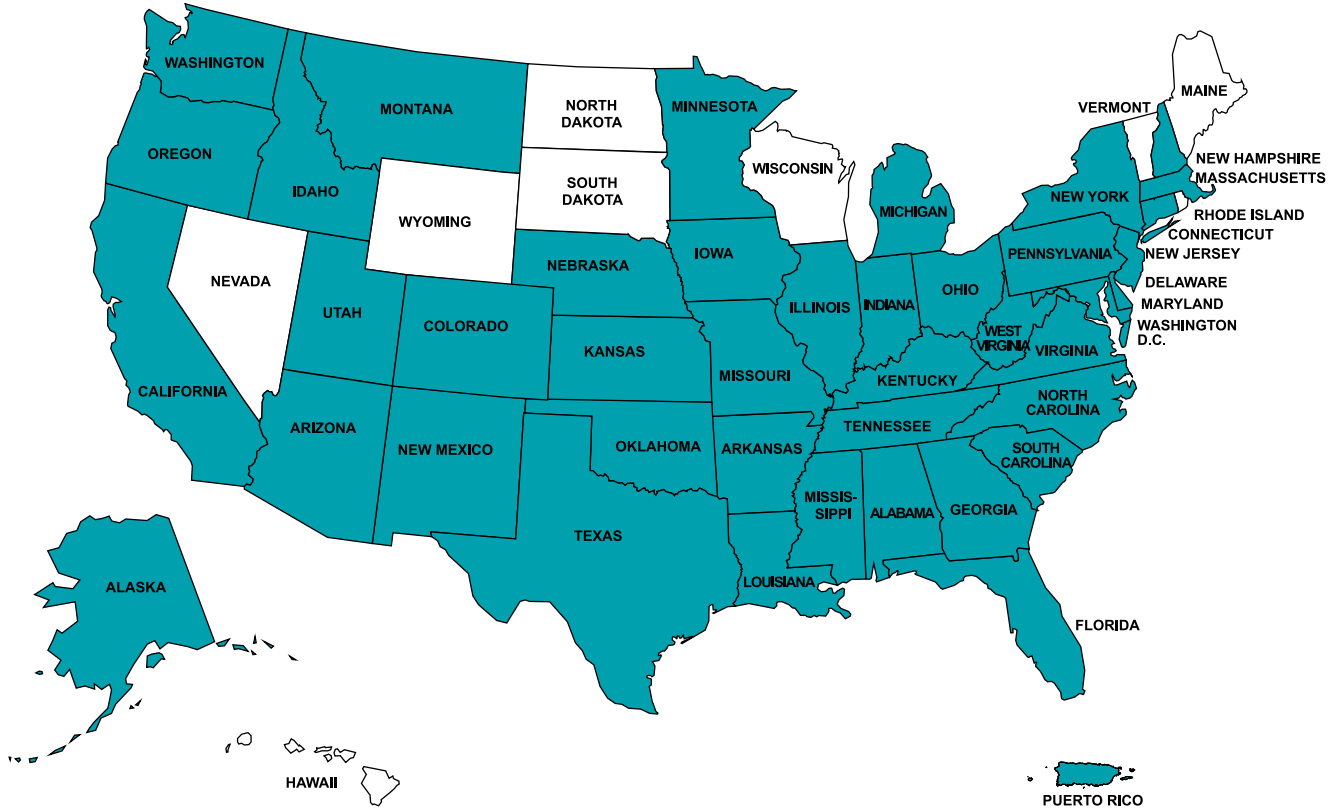
2014 LEGISLATIVE ACTION CAMPAIGN CONTRIBUTORS (continued)

Bob Grayson	Galen Ho'o	Adam Kitchingman	Robert & Mary Ellen McKee	Off The Hook LLC
Greenfield Farm	Hope Hill Farm	Klaravich Stable	Micah McKinney	Offutt-Cole Farm
Jeffery L. Greenhill	Patrick Hoppel	Kohlber Kravis Roberts	Gene McLean	Old Brookside Farm
Greenlinks Resort	Ellen Horner	J. Eric Kruljac	A. J. McMahan	Francis O'Leary
Gresham Family Partnership	Dove Houghton	LC Racing	McMahon & Hill Bloodstock	Omega Farm
Gabe Grossberg	Ian Howard	LRK Stables	McMahon Thoroughbreds	Dennis O'Neill
Bruce R. Grossman	Catherine Hudson	Lady Sheila Stable	Anthony Melfi	Mark J. Palmer
Helen K. Groves	Kevin Hulse	Lake Equine	Ben R. Merik III	Papillon Stables
Mary K. Grum	Hunter Hill Farm	Gregory T. LaLonde	Christopher J. Meyer	Paramount Sales
Grupo 7C	Hunter Valley Farm	Harry J. Landry Bloodstock	Harry & Tom Meyerhoff	Bill Parcels
Grupo C19	Hurstland Farm	Beau Lane	Midwest Thoroughbreds	Patrick O. Park
Gun Powder Farms	Hye Pointe Thoroughbreds	Lane's End Farm	Mighty White Stallion	Parker Lightfield Farm
H. J. & I. Elkins Stable	Imagine ...	Late Night Stables	Mike Ryan Bloodstock	Parrish Farms
Hackett Bros. Thoroughbreds	Jill Imperio	Layden Training Center	Miklin Stable	Sookdeen Pasram
Mike Haggerty	Inside Move	Lazy Lane Farm	Mill Ridge Sales	Donald R. Patin
Brian K. Hall	International Thoroughbred Bloodstock Asscn.	Legacy Bloodstock	Judy Miller	Patricia's Hope
Hamburg Place	Inversiones FI	Alejandro Leon	Leverett Miller	Darrin Paul
W. Rowland Hancock	Joseph Ioia	Henry Leong	Maurleen Miller	Patricia Pavlish
Dr. Kendall E. Hansen	Iron Sand Farm	Lickitysplit Services	Joseph S. Minor	C. B. Payne
Happy Tenth Stable	Brian Ivery	Robert L. Liedel	James Moloney	Peachtree Farm
Haras D'Etreham	Gregory Jackson	Gary Lightheart	Montesacro Farm	Cecil N. Peacock
Hardacre Farm	Richard Jackson	Tommy Ligon	Eugene Montoya	Pecan Meadows Farm
Hare Forest Farm	Jamm Ltd.	Louis Linder, Jr.	Angel Morales	Anthony Pecoraro
Steve Harner	Jay Em Ess Stable	Little Man Farm	Morgan's Ford Farm	William R. Peebles
Harper Bee Stables	JayArDee Stables	Livin the Dream 2014	Jane Moriarty	Tony Alton Pennington
Harris Farms	Jon Jazdzewski	Lochness	Colonel James Moseley	Richard Perkins
Nancy Harris	Wilson Jefferson	Locust Hill Farm	William I. Mott	James Perron
Ressa Harris	Catherine Jennings	Renec Logan	Mt. Brilliant Farm	Pewter Stable
Dr. John C. Harroff	Valentine Jiminez	Longford Farm	Mt. Joy Stables	Terry Phillips
Harry L. Landry Bloodstock	Jayne Johnson	Penny Lopez	Kristin A. Mulhall	Leonard Pineau
Edward Hart	Robert Johnson	Louisiana Stallion Station	Mulholland Farm	Pine Branch Stables
Hartwell Farm	Aaron & Marie Jones	Joseph Lowe	Murdog Development	Pine Ridge Farm
Jeff Hartz	Lynn Jones	Philip Maas	Murmur Farm	John Pinner
Haymarket Farm	Russell B. Jones, Jr.	Mike Machowsky	Brad Murray	Pin Oak Lane Farm
Alvin Haynes	Walter Jones	Earle I. Mack	N W Management	Edward Plesa, Jr.
Haynes Stables	Tonya Jurgens	Stewart M. Madison	Jonathan Nance	Carlos Polanco
Blake Heap	K & G Stable	Adam Madkour	Thomas Nash	Polivka Equine Holdings
Heaven Trees	K5 Stables	George P. Mahoney, Jr.	NATO	Nancy K. Polk
Dan Henning	K.B. B. Ranch	Richard Malouf	Irvin S. Naylor	Pony World Farm
Hermitage Farm	KMN Racing	Mamas Thoroughbreds	Michael Neatherlin	Popatop
James Hess	KS Capital	Nick Mamatas	Paul Newhart	John H. Prather, Jr.
Laqueta Hicks	Fedai Kahraman	Robert T. Manfuso	Newsells	Preston Stables
Hidden Brook	Kaizen Sales	Man o' War Farm	New Zealand Bloodstock	Dwight Preston
Hidden Brook Racing 6	Jeffrey D. Kallenberg	David Marshall	Justin Nicholson	Cheryl Prudhomme
John P. Hicks	Kathleen O'Connell Racing Stable	Dawn Martin	Howard C. Nolan, Jr.	Public Racing Stables
Highcroft Farm	KatieRich Farms	Roy Martinez	Nordic Thoroughbreds	Nicolas O. Quintana
Jim & Susan Hill	Keene Ridge Racing	Mashnee Stables	Robert Norman	R. A. Hill Stable
Hill 'n' Dale Sales Agency	Danny Keene	Mathis Stables	Normandy Farm	RJG Racing
Timothy Hills	Keith Brackpool Racing	Dr. Jeevan R. Mathura	Northern Bloodstock	Ralls & Foster
Hillwood Stable	Elise W. Kendall	Paul Matties, Jr.	Northview Stallion Station	Ram Construction
Nick Hines	King of Prussia Stables	Don & Pam Mattox	Novogratz Stables	Danuario Ramirez
Hinkle Farms	Robin Kinnear	Summer Mayberry	Nursery Place	Ramsey Farm
Robert E. Howeler	Robert A. Kinsley	Anthony McCarthy	Henry & Janet Oak	Ramspring Farm
James Hogan	Kirkwood Stables	James C. McFeeters	Oakwood Farm	Bradley H. Raney
Tony Holmes			Vernon Obermeier	Sandra Rasmussen

2014 LEGISLATIVE ACTION CAMPAIGN CONTRIBUTORS (continued)

Reade Baker Racing Stable	Sea Jay Farm	Starship Stables	The Stallion Company	W & T Thoroughbred Holdings
Mike & Nancy Recio	Sebold Racing LLC	Steinmetz Equine Holdings	Sally Thomas	Anne Walsh
Reddam Racing LLC	Secure Investments	St. Elias at Westpoint	Thorndale Farm	John P. Warren
Bill Reightler	Seitz/Kelly/Folkerth	Stephen B. Weissman Living Trust	Tim Thornton	Warwick Equine Sales
Relentless Racing	Seitz/Kelly/Swain	Stepping Stone Farm	Thoroughbred Champions Training Center	Watkins Bloodstock
Renpher Stables	Krista Seltzer	Sterling Racing	Three Chimneys Sales	Wavertree Stables
Richard Resuta	Serenity Spring Farm	Steve Long Thoroughbreds	Three Gin Guys Stable	George Weaver
Rhapsody Farm	Shadwell Farm	Sam E. Stevens	Don Tiger	Ken Westlye
Joseph Riccelli	Michael Shanley	St. George Sales	Tilly Foster Farm	Westerly Horse Farm
Bryan Rice	Timothy & Vickie Shaw	Nancy Lee Stockseth	Timber Bay Farm	West Point Thoroughbreds
Richard & Tammy Rigney	Shawnee Farm	Beryl Stokes, Jr.	Time Will Tell	Keith Westrup
Michael J. Riley	Shelby Lane Farm	Ronald A. Stolich	James H. Tolliver	Mike & Cheryl Whieldon
River Ridge Ranch	Sheltoewe Sales	Stone Bridge Farm	Toothaker Sales Agency	Ross Whipple
Riversedge Racing Stables	Michelle Sherack	Stonegate Stables	Top Line Sales	Whispering Oaks Farm
Edward S. Robbins III	Joseph V. Shields, Jr.	Stonereath Farms	Top Racing LLC	Whisperwood
J. Kirk & Judy Robison	Luis A. Shirley	Strait Pine Farm	Town & Country Farms	White Cloud Bloodstock
Rockin Z Ranch	Shortleaf Stable	Strouss & Thornton Partnership	Jack Treadway	White Fox Farm
Rock Talk Farm	Nancy Shuford	Stud Dona Licha	TriStar Farm	Judd Whitworth
Rockytime Farm	Siegel Sez Racing	Sugarland Thoroughbreds	Troubadour Racing Stables	Justin Williams
Murray L. Rojas	Silver Fern Farm	Sunrise Stables	John Trumbulovich	Wayne Williams
Rose Creek Farm	Simmons and Associates	Super Horse	Robert L. Tucker	Kathleen Willier
Rosegrove Farm	Sinatra, Smith & Finn	Phyllis M. Susini	Lisa & Tim Turney	William Willoughby
Rosemont Farm	Sinatra Thoroughbred Racing & Breeding	Jack Swain	Gary Tussey	Willow Creek Ranch
Richard A. Rosenberg	Mary Slack	Chris Swann	Twin Willow Farm	David & Holly Wilson
Royal Oak Farm	Slam Dunk Racing	Gerald J. Swift	Two Hearts Farm	Winchester Equine
Joel & Ali Rush	Trond Smedshammer	Swilcan Stables	AI & Bill Ulwelling	Windmill Manor Farm
S. Barton, Inc.	Franklin G. Smith	T/C Stable	Roddy Valente	WinQuest Thoroughbreds
SBM Training & Sales	Green B. Smith, Jr.	T. F. VanMeter Sales Agency	Donald Valpreo	Wings Ranch
SEJ Stables	Kim Smith	Taconic Racing Stable	Harvey & Nancy Vanier	David E. Winpigler, Sr.
Bobby Salome	Melinda Smith	Ronald Tagliaferro	Gayle Van Leer	WinStar Farm
Curtis A. Sampson	Someday Farm	David Michael Talla	VanMeter Sales	Wintergreen Farm
George Santis	South Branch Equine	Mike Tarp	Dr. George Veloudis	Winter Quarter Farm
Abe Santos	Southern Comfort Farm	Taylor Brothers Properties	Very Un Stable	Wintickett Farm
San Yee Ranch	Southwest Capital Racing	Taylor Made Farm	Vinery Sales	Bill Witman
David & Sandra Sardello	Spaeth Machine Shop	Taylor Made Sales Agency	VinMar Farm	Gayle Woods
Saturday Racing Stable	R. Townsend Sparks	TdM Sales	Vinnlaur Racing Stables	Wounded Warrior Stables
Andrew Savas	William S. Sparks	Team Work Racing	Vintage Farm	X Press Thoroughbreds
Scanlon Training Center	Michael Spielman	Gene & Charlene Tenbrink	Vincent Viola	Yellow Brick Stables
Tom Schaffer	Sporting Life Stables	Terrazas Thoroughbreds	Carolyn R. Vogel	Yonkers Racing Corporation
Matthew Schera	Springland Farm	The Acorn	Vossfeld Bloodstock	Young Racing
Lynn B. Schiff	Danny Stafford	The Lazy F	Robert S. Vukelic	Zeta Racing
Jennifer & Byron Schunk		The Posse Racing Stable		Arnold Zetcher

NATIONAL & INTERNATIONAL SUPPORT OF NTRA FUNDRAISING



PARTICIPATING COUNTRIES

- | | | |
|-----------|-------------|---------------|
| Argentina | Ireland | Saudi Arabia |
| Australia | Japan | South Africa |
| Canada | New Zealand | United States |
| France | Panama | West Indies |
| | Qatar | |

 = Contributing States or U.S. Territories

NTRA CONNECTING WITH BUYERS & SELLERS



Barretts March Select Sale of
2-Year-Olds in Training



Keeneland November
Breeding Stock



Fasig-Tipton
The November Sale



Keeneland November
Breeding Stock



Fasig-Tipton
Saratoga Selected Yearlings



Fasig-Tipton
The Florida Sale

NTRA CONNECTING WITH BUYERS & SELLERS



Barrett's March Select Sale of
2-Year-Olds in Training



Fasig-Tipton
The July Sale



Fasig-Tipton Midlantic
2-Year-Olds in Training



The Aiken Trials



Keeneland
September Yearling



DBS March Sale of Selected
2-Year-Olds in Training

NTRA CONNECTING WITH BUYERS & SELLERS



Fasig-Tipton
Kentucky Fall Yearlings



Fasig-Tipton
The November Sale



Keeneland
September Yearling



Fasig-Tipton
The Saratoga Fall Sale



Keeneland
September Yearling



OBS Spring Sale
of 2-Year-Olds in Training

NTRA VIDEOS PROMOTING THE CHECK-OFF PROGRAM

Click 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/OfficeMax, Nationwide 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 equine members through the group purchasing programs average \$50 million annually.

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

MY ADVANTAGE

CONTRIBUTORS TO THE NTRA'S FEDERAL LEGISLATIVE FUNDING EFFORTS ARE ELIGIBLE FOR SIGNIFICANT SAVINGS ON NATIONALLY KNOWN PRODUCTS THROUGH NTRA ADVANTAGE. Your membership entitles you to special savings on products used for your equine farm, business, or personal use.



JOHN DEERE

Up to 28% off*



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OfficeMax™**

10-70% off



Nationwide®

Equine Member
Discounts



Up to 30% off

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



*Some restrictions apply.

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, 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, 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 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 million to upwards of 300 federal political candidates and leadership PACs over the past decade – more than Caesars Entertainment, the NFL and Major League Baseball spent over the comparable period. [Click here to read the 2014 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 environment; medication and testing; jockey safety and health; aftercare for retired racehorses; and wagering security. The Code further sets standards with respect to compliance and enforcement and is amended as new research recommendations warrant. In 2014, the Alliance released the sixth version of the Code.

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
2014	\$3.23 billion	\$34.32 million

As part of the gambling industry, the NTRA in 2014 once again spent roughly 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.



Greg Means (right) of The Alpine Group and NTRA President and CEO Alex Waldrop (left)

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, 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, 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 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 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 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. Horseplayers' Coalition members contribute \$25 when joining.	Personal check or credit card (VISA, Discover, MasterCard or American Express), payable to Horse PAC and addressed to: Peggy Hendershot Horse PAC 2525 Harrodsburg Road, Suite 510 Lexington, KY 40504
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, Office Depot/OfficeMax, 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/OfficeMax, 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.





LEGISLATIVE
ACTION CAMPAIGN

FOR MORE INFORMATION CONTACT:

Joe Bacigalupo

Director of Government Relations & Membership Development

859-422-2677

www.SupportHorseRacing.org