

Testimony By the Golden Circle
H.B. 2084
House Committee on Taxation

February 6, 2025

Mr. Chairman and Members of the House Committee on Taxation,

On behalf of the Wichita Golden Circle historical horse racing facility, thank you for the opportunity to provide testimony in support of H.B. 2084, AN ACT concerning income taxation, allowing an itemized deduction for certain wagering losses.

The Golden Circle is a historic horse racing (HHR) facility that is currently under construction with a planned opening date of December 2025. The facility will offer parimutuel wagering on 1000 HHR machines, as well as simulcasted horse races from tracks around the United States. It will also have a Gilley's concert hall and several other entertainment amenities.

Under current law, taxpayers are required to pay state income taxes on certain gambling winnings but are not allowed to deduct any losses from gambling. HB 2084 would allow gambling losses claimed on federal income tax returns to be claimed as an itemized deduction on state income tax returns beginning in tax year 2025 and in each future tax year.

The Golden Circle supports this legislation as a matter of tax fairness. Prior to tax policy adopted in 2012, Kansans were allowed to deduct gambling losses against their winnings. Kansas government enacted sizeable income tax cuts that year and in order to help pay for those tax cuts, Kansas eliminated the gambling losses tax deduction. However, those tax cuts were later rescinded. The deduction for gambling losses was not reinstated. We believe this was likely an oversight and not intended public policy.

H.B. 2084 would reinstate this deduction and put Kansas on a more level tax structure with states that have gambling and parimutuel wagering and that allow for this deduction. We urge the Committee to report this legislation favorable for passage.

Thank you and I am happy to stand for questions at the appropriate time.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jason P. Watkins". The signature is fluid and cursive, with a large initial "J" and "W".

Jason P. Watkins
Golden Circle