



STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
DIVISION OF REVENUE  
601 Delaware Avenue  
Wilmington, Delaware 19899

TAX NEWSGRAM 75-11

June 17, 1975

Occupational Licenses - Chapter 23, Title 30, Delaware Code.

- Horse Owners, Trainers and Jockeys

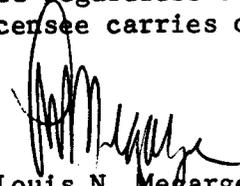
A question has been raised as to whether horse owners, trainers and jockeys are required to be licensed under Chapter 23, 30 Delaware Code, relating to occupational license requirements and taxes.

Neither jockeys nor horse trainers or owners are specifically covered by any of the 86 categories of occupations and professions listed in Section 2301 (a). However, Section 2301 (b), relating to "general service" licenses, provides as follows:

"(b) Upon every person engaging or continuing to engage in any service industry, business, calling or profession not otherwise specifically licensed and taxed under subsection (a) of this Section, there is hereby levied and there shall be collected an annual general service license fee of \$50."

It is the position of the Division of Revenue that jockeys, drivers, trainers and owners of horses (thoroughbred or harness) who desire to engage in such activities in Delaware and are eligible to compete in horse racing or harness racing meets in Delaware are required to obtain a general service license pursuant to Section 2301 (b) and pay the annual basic license fee of \$50. In addition, such licensees are subject to the additional tax of 3/10 of 1% on their aggregate gross receipts pursuant to Section 2301 (d), except that the licensees who are "employees" are exempt from the additional gross receipts tax. In the case of owners, the amount of any purses won would be includible in gross receipts for purposes of this tax.

In the case of a licensee who operates both as an owner and trainer or owner and driver, only one basic license is required. Further, only one basic annual license is required regardless of the number of tracks within the State at which the licensee carries on his activities.

  
Louis N. Megargee  
Director of Revenue

*See tax 79-7  
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