

**[ REPUBLIC ACT NO. 7978, April 17, 1995 ]**

**AN ACT GRANTING THE METRO MANILA TURF CLUB, INC. A FRANCHISE TO CONSTRUCT, OPERATE AND MAINTAIN A RACE TRACK FOR HORSE RACING IN THE CITY OF KALOOKAN**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. Any provision of law to the contrary notwithstanding, there is hereby granted to the Metro Manila Turf Club, Inc., a corporation duly organized and existing under the laws of the Republic of the Philippines, hereinafter called the grantee, its successors or assigns, for a period of twenty-five (25) years from the effectivity of this Act, the right, privilege and authority to construct, operate and maintain one race track in the City of Kalookan, establish branches thereof for booking purposes, and hold or conduct horse races with betting, whether on the results of the races or other forms of gaming derived therefrom, and either directly or by means of any mechanical, electrical, and/or computerized totalizator, and to do and carry out all such acts, deeds and things as may be necessary to give effect to the foregoing.

Sec. 2. The horse races to be conducted by the grantee shall be under the supervision and regulation of the Philippine Racing Commission, which shall enforce the laws, rules and regulations governing horse racing, including the framing and scheduling of races, the construction and safety of racetracks, the allocation of prizes for winning horses, and the security of racing as provided in Presidential Decree No. 420, as amended: Provided, That the Games and Amusements Board shall continue to supervise and regulate betting in horse races as provided in Sections 6,8,11,15, and 24 of Republic Act No. 309, as amended.

Sec. 3. The grantee or its duly authorized agent may offer, take or arrange bets for races conducted in or outside the Philippines, in person or by any electronic or other modern means of processing transactions, anywhere in the Philippines, whether within or outside the place, enclosure, or track where horse races are held, in on-track or off-track betting stations, with respect to races held or conducted within or outside the Philippines. No person other than the grantee or its duly authorized agents or licensees shall offer, take or arrange bets on any horse race, or maintain or use a totalizator or other device, method or system to bet on any horse race or maintain or use a totalizator or other device, method or system to bet on any horse within or without the place, enclosure, or track where the horse races are held by the grantee. Any violation of this section shall be punished by a fine of not more than Two thousand pesos (P2,000) or by imprisonment of not more than six (6) months, or both at the discretion of the court. If the offender is a partnership, corporation or association, the criminal liability shall devolve upon its directors, president or any other official responsible for the violation.

Sec. 4. The grantee is hereby authorized to do and carry out all such acts, deeds and things as may be necessary for the effective conduct of the business under this franchise, and, in particular, to provide and operate any mechanical, electrical and/or computerized devices, equipment and facilities, including but not limited to (a) photo patrol; (b) automatic starter; (c) photo finish devices; (d) facilities or devices for tattoo branding of horses for proper identification; (e) facilities, laboratories and instruments for testing for drugs; (f) weighing machines and devices for measurement of horses; (g) electric and/or computerized totalizator; (h) machines directly connected to a computer in a display board for the sale of tickets including those sold from off-track betting stations; (i) modern sound systems and loud speaker facilities; (j) modern telecommunications and broadcasting equipment and facilities, whether at the grantee's tracks or off-track betting stations, for receiving and transmitting, whether live or otherwise, messages, signals and pictures by any means now known or which in the future may be developed for the reception and transmission of messages, signals and pictures relating to the betting system, the actual conduct of horse races, the announcements of winning numbers and dividends paid or to be paid thereon, and any other information relating to the conduct and promotion of horse races within or outside the Philippines; (k) continuous and back up power supply, and such other instruments, devices, equipment, facilities and systems; (l) facilities that will bring safety, security, comfort and convenience to the public; and (m) any other facilities, devices and instruments in order to maintain clean, honest and orderly betting on horse races or derivative games. The Games and Amusements Board shall assign its auditors and/or inspectors to supervise and regulate the placing of bets, the proper computation of dividends and the distribution of wager funds.

Sec. 5. The grantee shall publish and display prominently and in appropriate places the terms and conditions regarding the sale of betting tickets. The total wager funds or gross receipts from the sale of betting tickets at the race track for horse races conducted by the grantee under this franchise shall be apportioned as follows:

(a) Eighty-two percent (82%) shall be distributed in the form of dividends among the holders of winning tickets whether from pari mutuel, daily double, forecast, llave, quinella, trifecta, or any other manner of betting;

(b) Eight and one-half percent (8 1/2%) shall be retained by the grantee as its commission/fee for conducting the horse races;

(c) Eight and one-half percent (8 1/2%) shall be set aside for the payment of stakes or prizes of win, place and show horses and the authorized bonus for jockeys;

(d) One-half percent (1/2%) shall be set aside for use of the Philippine Racing Commission: Provided, That in the case of gross receipts derived from the total sale for parimutuel races, the one-half percent (1/2%) government share shall be set aside for use of the Games and Amusements Board; and

(e) One-half percent (1/2%) shall be set aside for the benefit of the jockeys and horse trainers' injury, disability and death compensation fund created under Republic Act Numbered Three hundred and nine, as amended.