

Free Money, Maybe

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On television or on the Internet or in your local newspaper, racing analysts are consumed by handicapping. To increase your bottom line, they say, bet this horse or play this pick 5.

But as someone who actually bet horses for a living for more than twenty years, I considered gambling to be a business. To increase the bottom line, every business has to either increase revenues, or decrease expenses—or both. And that comes before you worry about picking winners.

Handicappers mostly talk about increasing revenues through making winning bets, but promotions and bonuses increase revenue as well. And every expense you decrease puts more money in your pocket, so we can't forget that side of the ledger, either.

Every bet has a cost, the takeout. It generally hovers between 15 and 25 percent, depending on the jurisdiction and the type of bet. Although there are some exceptions, win-place-show takeouts are usually closer to 15, while superfectas are generally closer to 25. A few places offer an occasional bet at a lower take, while a few usurious spots (Pennsylvania, hello!) soak players of some bets for 30%. For every \$1,000 you invest in the trifecta at Parx, you get back on average only \$700; at Keeneland, the same play gets you back on average \$810.

So one way to decrease your expenses is to stick with tracks, and bets, that offer better takeout rates. An up-to-date list is available at horseplayersassociation.org/2015Sortable.html.

Carryovers offer the possibility of a reduced takeout, depending on how much is bet the next day. Sometimes the expectation goes from -25% down to -15% or -5%, and occasionally creeps into positive territory. If the carryover is tiny, or it involves having to hit a jackpot as the lone ticket holder, there's no point chasing it. But if it's \$20,000 or

above for a non-jackpot pentafecta or a pick 5, or \$100,000 for a non-jackpot pick 6, consider getting involved. And if it's a mandatory payday, do more than consider it.

One expense you might be able to get recouped is the money that's withheld from your signers. Keep accurate records so that if you hit a \$12,000 pick 4, for instance, you can deduct losses up to that amount on your federal tax return. If you simply *say* you lost that amount, you may have some explaining to do to some unsympathetic official. Save your losing tickets and print your ADW records. (Note that you cannot deduct the other expenses of racetrack gambling—travel expenses, *Racing Forms*, the cost of a workout service, etc.—unless you declare yourself to be a professional gambler.)

If you go to the track, parking and admission can quickly add up. While some tracks offer these items free, others don't—but there are ways to save nevertheless. Get on the track's e-mail and snail-mail lists (just call the marketing department), and you'll often get discount coupons or passes. Or check local papers or tourist magazines or coupon sites such as *groupon.com*.

When it comes to increasing revenues, head for the ADW's. If you're using one now, are you getting rebates? Can you switch to one that offers something more, or at least something? It used to be you'd have to bet \$1 million or more annually to score big rebates at places such as Racing and Gaming Services in St. Kitts. But these days, smaller shops such as Idabet, BetAmerica, Premier Turf Club, and Amwager, among others, offer lucrative rebates without having to bet seven figures a year, although residents of some states may not be eligible.

It's easy to open a new account and score a signup bonus, not only at the rebate shops but at the standard ADW's as well. Recently, I opened an NYRA Bets account and earned a \$300 bonus simply by betting \$300. Then there are the occasional reload bonuses; my Xpressbet account ran a promo in November that offered me a \$100 bonus if I deposited \$1,000, which of course I did.

Are you checking for promotions for races you ordinarily bet, or perhaps would bet if the promotion was strong enough (such as a 10% bonus on a Wednesday for the pick 4 at Nearby Downs, or a 20% rolling double bonus at Someplace Park)? Twin Spires offers these frequently. Last year, I wrote about a promotion in which Xpressbet offered a 25% bonus payoff on winning late-double bets, which had me going from

betting zero dollars to thousands for the few days the promotion was offered. At the very least, keep an eye out for benefits such as reduced prices for past performances, or rewards points that can be used for T-shirts or caps.

Sometimes the big races—the Triple Crown and Breeders Cup—bring out especially creative bonuses. TVG offered a premium in 2016 to all its customers for the 13 Breeders Cup races—if you bet a horse to win and he finished second or third, you’d get your bet refunded, up to \$15. I didn’t play this particular promotion, but it might have made sense to play \$15 to win on every favorite (since, on average, favorites win one-third of the time and finish second or third another one-third). Had you done so, even though only one favorite won, eight others finished second or third. Your bet of \$195 returned only \$72 for your lone winner, but another \$120 in refunds, so you just about broke even instead of losing most of your money; just one more winning favorite would have put you into the black.

Are you participating in free contests? Some offer prize money, others a seat in a major, big-money handicapping tournament. Some pay contests offer low rakes, though sometimes the takeout is dependent on the number of entries.

Not every promotion is worth playing. Sometimes the caps are limited. If you have to bet several races and the most you can score is an additional \$10, who really cares? And if you find yourself betting unfamiliar tracks just to try to hit a bonus, it had better be worthwhile.

OK, you can return to handicapping now.

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