

# Arizona



## Regulatory Oversight

### TRIBAL GAMING

**Governing Body:** Gaming in Arizona is governed by the Arizona Tribal-State Gaming Compacts between the state and its 22 federally recognized tribes. Arizona has 16 tribes operating 25 Class III gaming casinos in the state. Another six tribes do not have casinos but can lease their Class III gaming devices to other tribes in the state under a “transfer agreement.” Under the tribal-state compact, there is a maximum of 20,500 slot machines permitted in the state, including the transfer agreements.

Responsibility for regulatory oversight of tribal gaming operations is divided between the tribes and the state. Section 6 of the tribal-state compact mandates tribal regulation of the compact provisions, while Section 7 describes the state monitoring of the compact provisions.

The tribes, through a tribal gaming agency, are generally responsible for the regulation of all gaming activities pursuant to the tribe’s gaming ordinance and for the enforcement of the compact and its appendices on behalf of the tribe. The Arizona Department of Gaming has the authority to monitor the tribe’s gaming operation to ensure that the operations are conducted in compliance with the provisions of the tribal-state gaming compact and its appendices.

The model compact took effect with the tribes in 2003 and was automatically extended 10 years in 2013. The compacts are set to expire in 2023, with a three-year extension period automatically started where tribes and the state are to renegotiate a new compact.

Currently, the tribes are in negotiations with the state for an amended compact agreement.



## Licensing

### TRIBAL GAMING

**Gaming Manufacturers and Suppliers:** The state certification fee for manufacturers and suppliers of gaming devices is \$5,000 and must be renewed every two years for \$1,000. Tribal licensing fees are set by each tribe and are not listed in the tribal-state gaming compacts or gaming ordinances.

**Provider of Gaming Services:** The providing of any goods or services, except for legal services, to the Tribe in connection with the operation of Class III Gaming in a Gaming Facility, including but not limited to equipment, transportation, food, linens, janitorial supplies, maintenance, or security services for the Gaming Facility, in an amount in excess of \$10,000 in any single month. The state certification fee for a provider of gaming services is \$1,500 and must be renewed every two years for \$500. Tribal licensing fees are set by each tribe and are not listed in the tribal-state gaming compacts or gaming ordinances.

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## Taxation & Tribal Revenue Sharing

### TRIBAL GAMING

**Revenue Share:** In exchange for substantial exclusivity given to Arizona tribes, the tribes agreed to contribute a percentage of their Class III net win to the state. The percentages are distributed in the following manner:

Graduated Exclusivity Fee	
\$0 - \$25 million	1%
\$25 million - \$75 million	3%
More than \$100 million	8%
\$75 million - \$100 million	6%

**State Use of Revenue:** Arizona deposits 88 percent to the Arizona Benefits Fund and 12 percent to cities, towns or counties for government services or deposits into the Commerce and Economic Development Commission Local Communities Fund.

**Tribal Use of Revenue:** As required under IGRA, tribes must use tribal gaming funds:

1. To fund tribal government operations or programs;
2. To provide for the general welfare of the tribe and its members;
3. To promote tribal economic development;
4. To donate to charitable organizations; or
5. To help fund operations of local government agencies.

**Promotional Credits' Effect on Revenue Sharing:** Restricted credits do not count toward the calculation of net win, but unrestricted credits do count toward the calculation of net win.

**Withholding on Winnings:** Federal law may require tribal casinos to issue a W-2G form to persons and may withhold winnings if certain conditions are met. For more information click [here](#).



## Responsible Gaming

### TRIBAL GAMING

**Statutory Funding Requirement:** A portion of the money contributed to the Arizona Benefits Fund helps fund responsible gaming programs in the state.

**Self-exclusion:** Tribes must establish procedures for advising people about state's self-exclusion list.

**Complimentary Alcoholic Drinks:** Tribes may not serve complimentary alcoholic beverages. Advertising Restrictions: Tribes may not advertise to minors or target those on the self-exclusion list.

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**On-Premise Display Requirement:** Tribal gaming operators must place signs at the entrance and exit stating help is available for problem gamblers.

**Prevention of Underage Gambling:** A person must be at least 21 years old to gamble in a tribal casino.

**Operation on Holidays:** Tribes may operate casinos on holidays.



## Other Regulations

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**Testing Requirements:** Gaming devices must be approved by an independent testing laboratory licensed by a tribal gaming office and certified by the state gaming agency.

**AML requirements:** Under federal U.S. law, commercial casino operators, tribal gaming operators and card clubs are required to comply with various statutes to prevent money laundering activities and other financial crimes, including terrorism.

**Shipping Requirements:** Under federal U.S. law, all gambling devices and all packages containing gambling devices, when shipped or transported, must be plainly and clearly labeled and marked so that the name and address of the shipper and the consignee and the contents of the package may be readily ascertained on an inspection of the package.

**Restrictions on Political Contributions:** Under federal law, tribes are considered “persons” and are subject to regulation by the Federal Election Commission when making federal contributions.

**Credit:** Credit is not offered at tribal casinos in Arizona.



## Sports Betting

Arizona does not currently offer legal sports betting.