

Florida



Regulatory Oversight

COMMERCIAL GAMING

Governing Body: The Office of Slot Operations within the Division of Pari-Mutuel Wagering regulates slot machine operations. The Office of Slot Operations is charged with the oversight of the day-to-day operations at slot facilities, as well as the licensing of individuals and ensuring the integrity of slot machine gaming in the state.

TRIBAL GAMING

Governing Body: The Seminole Tribe of Florida is the only tribe in the state of Florida authorized to offer Class III gaming.

The Seminole Tribal Gaming Commission is primarily responsible for carrying out the tribe's regulatory responsibilities under the tribal gaming ordinance, the compact, and the Indian Gaming Regulatory Act (IGRA).

The Governor's Office in Florida provides oversight of Indian casinos through the State Compliance Agency (SCA). Under the latest compact, the Division of Pari-Mutuel Wagering has been appointed with state oversight. The compact agreements stipulate that the SCA has the authority to ensure games are conducted in compliance with compact provisions. The SCA can be any agency which the Florida legislature has designated for this purpose.

The Seminole compact terminates in 2030; however, some of its provisions authorizing the tribe to offer specific games, namely blackjack and other house-banked card games, terminated in 2015. However, due to a dispute over the state's violation of the tribe's exclusivity, they continue to offer banked card games.



Licensing

COMMERCIAL GAMING

Operator: Any licensed pari-mutuel facility located in Miami-Dade County or Broward County existing at the time of adoption of Section 23, Article X of the state constitution (November 2004) that conducted live racing or games during calendar years 2002 and 2003 may possess slot machines and conduct slot machine gaming at the location where the pari-mutuel permit holder is authorized to conduct pari-mutuel wagering activities, pursuant to such permit holder's valid pari-mutuel permit provided that a majority of voters in a county-wide referendum have approved slot machines at such facility in the respective county.

A slot machine licensee may make up to 2,000 slot machines available for play within the property of the facilities of the slot machine licensee.

The annual fee for a slot machine facility is \$2 million. In addition, slot machine facilities are required to pay an annual "compulsive or addictive gambling prevention program fee" of \$250,000.

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Supplier License: The following entities are required to hold a business entity occupational license: slot machine management companies, vendors, distributors, manufacturers, testing laboratories and service companies.

The application fee is \$1,000 for a one-year license or \$2,000 for a three-year license.

Any officer, director, employee, or shareholder (of 5 percent or more interest) of a business entity who needs access to a slot machine facility in Florida must obtain a slot machine business employee occupational license.

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Operator: The tribe is required to annually reimburse the state for the costs of the state compliance agency to perform its monitoring functions under the compact. This annual oversight assessment may not exceed \$250,000.

Supplier of Gaming Goods or Services: Any person or company who is a supplier of goods and services must be licensed by the tribe. The tribal gaming ordinance defines a supplier of gaming goods and services to mean “any person who manufactures sells, leases, distributes, supplies or makes modifications to, any gaming goods and services including, but not limited to any gaming device of the tribe and all persons holding any direct or indirect financial interest in such supplier.”

Non-gaming suppliers must register with the Seminole Tribal Gaming Commission and pay a \$250 fee. Gaming suppliers, however, must undergo a more invasive process. License fees for gaming suppliers are not listed in the tribal-state gaming compacts or gaming ordinances.



Taxation & Tribal Revenue Sharing

COMMERCIAL GAMING

Gaming Tax Rate: There is a 35 percent slot machine tax.

Tax Allocation: Slot machine tax is distributed to the Educational Enhancement Trust Fund of the Department of Education.

Promotional Credits: There is no tax on promotional credits in the state.

Withholding Tax on Gambling Winnings: There is not a withholding requirement for winnings in Florida.

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Revenue Share: The compact provides the tribe with a near-monopoly on slot machine gaming in Florida for 20 years, with the exception of Broward and Miami-Dade counties, as well as exclusivity over table games in south Florida.

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Under the agreement, the Seminole can operate blackjack (and other table games) at five of their seven casinos. House-banked card games are prohibited at the Brighton and Big Cypress casinos. Under the compact, the Seminole tribe received exclusive rights to offer blackjack and baccarat in Florida from 2010-2015, unless the provision was renewed by the state legislature or the state permitted any other person or entity to conduct such games. The Seminole tribe has argued that the state failed to enforce the provision, allowing private pari-mutuel facilities to offer the games, leading the tribe to terminate its revenue share.

In exchange for the benefits noted above, the Seminole had agreed to provide the state with a minimum of \$1bn over five years from their gaming revenues:

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| 2010-2012 | Minimum payment of \$150 million per year |
| 2012-2014 | Minimum payment of \$233 million per year |
| 2014-2015 | Minimum payment of \$234 million |

The Seminole had also agreed to provide the state with either the minimum required payment noted above or a percentage of revenue based on the following schedule, whichever amount is greater:

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| 0-\$2bn | 12 percent |
| \$2bn-\$3bn | 15 percent |
| \$3bn-\$3.5bn | 17.5 percent |
| \$3.5bn-\$4bn | 20 percent |
| \$4bn-\$4.5bn | 22.5 percent |
| \$4.5bn or greater | 25 percent |

State Use of Revenue: Of the revenue sharing amounts paid by the tribe to the state, three percent must be distributed to local governments in Florida affected by the tribe’s operations of Class III games. Remaining funds were permitted to be distributed at the state’s discretion.

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: Promotional credits do not affect revenue sharing in the state.

Withholding on Winnings: There is not a withholding requirement for winnings in Florida. However, 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](#).

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Responsible Gaming

COMMERCIAL GAMING

Statutory Funding Requirement: Slot machine facilities are required to pay an annual “compulsive or addictive gambling prevention program fee” of \$250,000.

Self-exclusion: Florida racetrack casino operators are required by law to have a compulsive gambling prevention program, and as a part of this program, they must offer voluntary self-exclusion to those individuals who request it. The terms of the self-exclusion are left to the discretion of the operator, provided the plan is approved by the Florida Division of Pari-Mutuel Wagering.

Alcohol Use: The state prohibits complimentary or reduced cost alcoholic beverages.

Advertising Restrictions: As part of operation, each slot machine gaming licensee must establish a responsible gaming advertising program.

On-Premise Display Requirement: Slot machine gaming licensees are required to post signs warning of the risks and dangers of gambling, showing the odds of winning, and informing patrons of the toll-free telephone number available to provide information and referral services regarding compulsive or problem gambling.

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Statutory Funding Requirement: Under the compact, the tribe is required to annually donate no less than \$250,000 per facility to the Florida Council on Compulsive Gaming.

Self-exclusion: Under the compact, the tribe must establish a list of the patrons voluntarily excluded from the tribe’s facilities. Patrons may self-exclude for a minimum of one year, five years, or a lifetime.

Complimentary Alcoholic Drinks: Complimentary alcoholic drinks are not offered at tribal casinos in Florida.

Advertising Restrictions: Advertising and marketing of games must contain a responsible gambling message and a toll-free help-line number for problem gamblers, where practical. Advertising and marketing of the games may not make false or misleading claims.

On-Premise Display Requirement: Signs with a toll-free helpline number and educational and informational materials which aim at the prevention of problem gaming must be made available at conspicuous locations and at ATM’s in each facility.

Prevention of Underage Gambling: The Seminole Tribe has instituted a policy that prohibits individuals under 18 years of age from taking part in live poker or bingo. An additional policy is in place that restricts individuals under 21 years of age from participating in any other form of casino gaming.

In addition, the compact requires that the tribe make “diligent efforts to prevent underage individuals from loitering in the area of each facility where the games take place.”

Operation on Holidays: Tribal casinos in the state may operate 24 hours a day, seven days a week, including on holidays.

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Other Regulations

COMMERCIAL GAMING

Testing Requirements: Slot machines must be approved by a licensed independent testing laboratory as well as the Office of Slot Operations.

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 financing.

Shipping Requirements: Shipping of slot machines must be approved by the state and requires a state employee to be present for the delivery.

Credit Offered to Patrons: Credit may not be offered to patrons.

Political Contributions: There are no restrictions on political contributions from parties with gaming interests.

TRIBAL GAMING

Testing Requirements: There are no testing requirements outlined in the tribal-state gaming compact or tribal gaming ordinance.

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: There are no compact restrictions on political contributions from parties with gaming interests. Under federal law, tribes are considered “persons” and are subject to regulation by the Federal Election Commission when making federal contributions.

Credit: Tribal casinos in Florida may offer credit to patrons. While credit procedures are not outlined in the tribal-state gaming compact or tribal gaming ordinances, tribal casino websites state that credit lines start at \$500.



Sports Betting

Florida does not currently offer legal sports betting. At the time of writing, litigation surrounding the legality of a recently signed gaming compact authorizing statewide sports betting is ongoing.