



Regulatory Oversight

COMMERCIAL GAMING

Governing Body: The Illinois Gambling Act created the Illinois Gaming Board (board). The five-member board, appointed by the governor and confirmed by the Senate, administers a regulatory and tax collection system for casino gambling and sports betting in Illinois. The board's staff performs audit, legal, enforcement, investigative, and financial analysis activities to ensure the integrity of gambling in Illinois as mandated by the Illinois Gambling Act. Gaming Board members and staff are prohibited from gambling in Illinois casinos.



Licensing

COMMERCIAL GAMING

Operator: Under the Illinois Gambling Act, the state's ten existing riverboat casinos may move on land and six new casinos have been authorized. Additionally, gambling is permitted at the state's three existing racetracks and a newly authorized track. Racetracks are required to apply to the Illinois Gaming Board (IGB) for an organization gaming license. Casinos and racinos are permitted to operate 900 to 2,000 gaming positions, depending on the location.

Fees for new gaming entities:

Application fee: \$250,000 plus \$50,000 for background investigation. If the investigation costs more, the applicant must pay the difference.

License fee: \$250,000 for issuance and renewal. Licenses are valid for four years.

Upfront reconciliation fee casinos only: Each new casino licensee must pay a \$15m reconciliation fee upon issuance of an owner's license.

Gaming positions fee: new casinos and racinos must pay a per-position gaming fee of (a) \$17,500 per position if located outside Cook County or (b) \$30,000 per position if located within Cook County (which includes Chicago).

Three-year reconciliation fee: Each new casino and racino must pay a reconciliation payment after three years of commencing operations. The payment is equal to 75 percent of the adjusted gross receipts (AGR) for the most lucrative 12-month period of operations, minus an amount equal to the initial payment per gaming position paid by the specific licensee. If approved by the IGB, a licensee may pay the reconciliation fee in installments over a period of no more than 6 years.

Existing casinos:

The state's ten existing riverboat casinos may apply to the IGB to move their operations on land. If approved, the casino must pay a \$250,000 fee.



Renewal fee: \$250,000 every four years.

Reconciliation fee: For casinos that increase their gaming positions, a three-year reconciliation payment must be made. The payment is equal to 75 percent of the AGR for the most lucrative 12 months with the increased positions. If approved by the IGB, a licensee may pay the reconciliation fee in installments over six years.

Supplier License: A supplier's license is required to sell or lease, and contract to sell or lease, gambling equipment and supplies to any licensee involved in the ownership or management of gambling operations. The application fee is \$10,000 and the annual license fee is \$5,000



Taxation

COMMERCIAL GAMING

Gaming Tax Rate: Illinois has a graduated percentage tax on casino gross gaming revenues based on annual adjusted gross receipts (AGR) (230 ILCS 10/13):

Up to \$25m	15%
Over \$25m	20%
All Other Gambling Games	
AGR	Tax Rate
Up to \$25m	15%
\$25m to \$50m	22.5%
\$50m to \$75m	27.5%
\$75m to \$100m	32.5%
\$100m to \$150m	37.5%
\$150m to \$200m	45%

Illinois also has an admissions tax of \$2 per person for patrons of Casino Rock Island and \$3 per person for all other casino and racino licensees.

Tax Allocation: Taxes are distributed in the following manner:

State Gaming Fund - Casinos	
Hosting Local Government	5% of AGR
Host municipality, county or city	2-5% of AGR from racinos
Horse Racing Equity Fund	15% of AGR from Rivers Casino
Home Rule County with > 3m population for Criminal Justice	2% of AGR from Rivers Casino
Chicago State University Education Improvement Fund	\$3m
School Infrastructure Fund	\$92m one-time transfer plus \$5.53m per month
Horse Racing Equity Fund	\$23m
Cook County Municipality	\$5m (when newly authorized casino opens)
Education Assistance Fund	\$22.5m of remaining funds
Operation and Enforcement of Gaming, Including	Unspecified – Appropriation by General Assembly
Problem Gambling	Remaining funds from casino gambling
Capital Projects Fund	Remaining funds from racinos

Admissions fees are distributed with \$1 of each fee going to the host community and the remaining money put into the state's Capital Projects Fund.

Promotional Credits: From January 1, 2020, the calculation of “gross receipts” or “adjusted gross receipts” does not include the dollar amount of non-cashable vouchers, coupons and electronic promotions redeemed in the casino or racetrack, up to an amount not to exceed 20 percent of the casino’s or racino’s AGR.

Withholding on Gambling Winnings: Gambling winnings of more than \$1,000 are treated as taxable income and are taxed at a rate of 4.95%.



Responsible Gaming

COMMERCIAL GAMING

Statutory Fund Requirement: The Illinois Council on Problem Gambling is the main problem gambling body in the state. The council is privately funded by grants and donations. Illinois requires an annual appropriation of funds for a statewide compulsive gambling program.

Self-exclusion: The Illinois Gaming Board operates a state-wide [voluntary self-exclusion program for problem gamblers](#) that allows persons who have determined that they are problem gamblers to self-exclude from all Illinois casinos. The minimum self-exclusion length is five years. At the end of the five years, the person may request to be removed from the list. The request may be denied, and owner licensees may continue to deny gambling privileges even after someone is removed from the list.



Any affiliate of an Illinois gaming operation may prohibit a person on the self-exclusion list from entering its affiliated gaming operations. However, the casino gaming operations are prohibited from sharing information on the list with a third party, barring a court order or specific authorization by the board. The board may, however, enter into confidential agreements to share the list with other state gaming regulatory agencies.

Alcohol Use: The Illinois Liquor Control Commission prohibits giving away free alcohol.

Advertising Restrictions: No specific advertising restrictions.

On-Premise Display Requirement: Each licensed owner shall post signs with a statement regarding obtaining assistance with gambling problems, the text of which shall be determined by rule by the Department of Human Services, at the entrances and exits and near each credit location.

Restrictions on Minors on the Gambling Premises: Patrons visiting the casinos must be at least 21 years of age to be admitted to gambling areas.



Other Regulations

COMMERCIAL GAMING

Testing Requirements: The IGB must utilize the services of independent, accredited testing laboratories.

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: Shipment of gaming equipment into the state requires a 10-day notice to the IGB.

Credit Offered to Patrons: Casinos may offer credit to patrons, pursuant to an approved internal control system. Credit must only be extended in a commercially reasonable manner.

Political Contributions: There are no prohibitions on a licensee's political contributions, but the state does require licensees to disclose political contributions.

Smoking Bans: Smoking ban restrictions are not outlined in Illinois gaming statutes or regulations.

Cashless Gaming & Alternative Payments: Illinois gaming statutes and regulations require gambling operators to utilize a cashless wagering system whereby all players' money is converted to tokens, electronic cards, or chips used only for wagering in the gambling establishment. However, cryptocurrency is not currently accepted as a form of payment for gambling transactions.



Sports Betting

Authorized Operators: Sports arenas, casinos and racetracks may apply for a “master sports wagering license” from the Illinois Gaming Board. The seven eligible sports arenas that obtain a license may conduct sports betting at their facility or within a five-block radius of the sports facility. Racetracks are also permitted to set up additional sportsbook operations at a maximum of three off-track betting locations each.

The Illinois Lottery is also eligible to conduct a retail sports wagering “pilot program.” The pilot program expired on January 1, 2024.

Mobile/Online: Each of Illinois’ casinos, racetracks and sports arenas with a master sports wagering license are authorized to launch online betting in addition to physical sportsbooks. They are restricted to a single website, or “skin”, which must either be branded the same as their casino or track, or reflect a brand that is owned by their parent company. Additionally, the law awards three online-only licenses through a tender process.

Operator Taxes & Fees: Sports betting revenue is taxed at a rate of 15 percent, with an additional 2 percent tax applied to wagers placed within Cook County, and an additional 2 percent tax applied to wagers placed in the city of Chicago.

Initial license application fees are as follows:

- Casinos/racetracks licensed prior to 2019: 5 percent of 2018 handle/gaming revenue, not to exceed \$10m
- New casinos/racetrack (licensed after June 28, 2019): \$5m initial fee, adjusted after 12 months of operations based on 5 percent of the AGR/pari-mutuel handle
- Sports arenas: \$10m
- Online sports wagering operators: \$20m
- Lottery system provider: \$20m

All casinos/tracks, sports arenas and online operators are required to renew their licenses every four years at a cost of \$1m.

Amateur Restrictions: Licensees may not accept wagers on sporting events that involve Illinois collegiate teams or in which the players are in high school or younger.

Tax on Promotional Credits: Tax on “adjusted gross sports wagering receipts” includes a sports wagering licensee’s gross sports wagering receipts, less winnings paid to wagerers in such games.

Age Restrictions: The minimum age for sports wagering is 21.