



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

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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

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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):

Table Game Tax	
AGR	Tax Rate
Up to \$25m	15%
More than \$25m	20%
Tax on 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%
More than \$200m	50%

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
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

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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: The Illinois Gaming Board approved new casino advertising restrictions on September 12, 2024. The requirements, among others, include that advertising and marketing materials published, aired, displayed or distributed in Illinois or that target Illinois residents must not:

- Imply or promote gambling as free of risk in general or in connection with a particular promotion or offer.
- Describe gambling as “free”, “cost free”, “free of risk”, or any other similar language if the patron needs to incur any loss or risk the patron’s own money to use, obtain, or withdraw winnings.
- Be placed before any audience where the majority of viewers or participants is reasonably expected to be under 21 years of age.
- Be published, aired, broadcast, displayed, or distributed on any college or university campus, or college or university media outlets such as college or university newspapers and radio or television broadcasts, or any sports venues used primarily for college and university events.
- Depict college or university students, colleges or universities, or college or university settings.

Additionally, no gambling messages, including logos, trademarks or brand names, may be used or licensed for use on clothing, toys, games or game equipment intended primarily for persons below 21 years of age. The IGB clarifies that to the extent that promotional products carry gambling messages or brand information, an applicant or licensee must use commercially reasonable efforts to distribute such products only to those who have reached the legal age for gambling in Illinois.

Furthermore, gambling brands, logos, or messages shall not be placed on any website, printed page, or other medium devoted primarily to individuals seeking assistance or information on problem or responsible gambling.

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

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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 manner commercially reasonable considering the assets, liabilities, prior payment history and income of the patron.

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

Smoking Bans: The Smoke Free Illinois Act includes restrictions on gaming facilities.

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.