



Regulatory Oversight

COMMERCIAL GAMING

Governing Body: The responsibility for supervising the casino industry is divided between the Louisiana Gaming Control Board, the Louisiana State Police Gaming Enforcement Division and the Office of the Attorney General's Gaming Division.

The Louisiana Gaming Control Board consists of nine members appointed by the governor. The board's powers consist of licensing, enforcement and investigation of licensees operating under the Louisiana Riverboat Economic Development and Gaming Control Act, the Louisiana Economic Development and Gaming Corporation Act, and the Video Draw Poker Devices Control Law. The board also oversees casino gaming on Indian lands as provided in the provisions of Act No. 888 (1990) and Act No. 817 (1993).

The gaming enforcement division works as the investigative arm of the Gaming Control Board. The division visits gaming entities and ensures compliance with gaming statutes. It also enforces general criminal laws to prevent dishonest practices or corruption in the casino sector, in addition to its main task of detecting administrative violations.

The attorney general's gaming division was formed in 1997 to serve as legal advisor to the state's gaming regulatory agencies. The division represents the gaming board when collecting fines and civil penalties. This is done either by enforcement actions in the courts or the Gaming Control Board's Administrative Hearing Office. The division has a licensing and compliance section which acts solely on licensing matters in riverboat and video poker industries. They are tasked with advising the gaming board and conducting the due diligence aspects of new gaming permit applications.

TRIBAL GAMING

Governing Body: Louisiana has three compacted tribes: the Tunica Biloxi Tribe of Louisiana, the Coushatta Tribe of Louisiana and the Chitimacha Tribe of Louisiana. The tribal-state compacts are substantially similar for all three tribes, with only minor differences in licensing fees.

The tribal gaming commission has the primary responsibility for the on-site regulation, control and security of the gaming operation.

The State of Louisiana has the limited authority to monitor and inspect the gaming operations to ensure that the gaming operation is conducted in compliance with the compact and applicable regulations.

Tribal compacts are effective for seven years, to be automatically extended seven more years unless the tribe or state provides written notice of non-renewal not less than 180 days prior to the expiration of the original term of the compact.



Licensing

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Operator: Through various authorizing statutes, the state allows for riverboat casinos, one land-based casino, and slot machines at racetracks. All three must pay different licensing fees and all three are taxed differently. The annual fees are laid out in the taxation section. In 2019, 18 months after the state legislature approved legislation allowing any of the current riverboat casinos in the state to move up to 1,200 feet inland from their current locations, the Louisiana Gaming Control Board approved its first application to move a riverboat casino inland.

Supplier License: Manufacturers (slot machine/video draw poker and other gaming equipment) are required to receive permits. Additionally, gaming suppliers non-gaming suppliers must also receive permits from the state. Manufacturers' permits cost either \$7,500 or \$15,000 every year, depending on what the licensee manufactures. Gaming vendors must pay \$3,000 annually and non-gaming vendors must pay \$250 annually.

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Operator: The tribes reimburse the state for all expenses actually incurred by the state in carrying out its obligations pursuant to the compacts. Reimbursement must be made for monitoring, investigative, intelligence, and processing costs. The Department of Public Safety and Corrections must prepare and submit to the tribes a detailed statement of actual expenses incurred on a quarterly basis to the tribal gaming commissions.

Management Companies: Any management company that assists in the management or operation of the gaming facilities must be licensed by the tribe and certified by the state. Initial state certification fees are \$5,000. Renewal fees are also \$5,000. License fees are set by the tribes and not outlined in the tribal-state gaming compacts.

Gaming Manufacturers and Suppliers: Each manufacturer and supplier of gaming services, supplies, or equipment must be licensed by the tribe and certified by the state. If a supplier or manufacturer possesses a valid gaming license issued by the state of Louisiana, it may be deemed certified for the purposes of the compact. State certification fees range from \$3,000-\$5,000 and may be renewed for \$1,000. License fees are set by the tribes and not outlined in the tribal-state gaming compacts.

Non-Gaming Manufacturers and Suppliers: Non-gaming manufacturers and suppliers must be licensed by the tribe. The compacts define non-gaming manufacturers and suppliers as:

- a person or entity that provides the Class III gaming facilities with non-gaming related supplies, services
- or concessions during the immediate past 12 month period, who has received in excess of \$50,000 annually from the Class III gaming facilities as payment for providing non-gaming goods and services to the tribal gaming operation.

Initial state certification fees are \$1,000 and renewal fees are \$500. License fees are set by the tribes and not outlined in the tribal-state gaming compacts.



Taxation

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Gaming Tax Rate: All three different types of commercial gaming establishments are taxed differently in Louisiana.

Gaming riverboats have a maximum effective tax rate of 27.5 percent. This includes a license fee of 3.5 percent, a local tax ranging from 4 to 6 percent, and a graduated franchise fee which can be as high as 18 percent. The graduated tax is for riverboats is set at 15 percent, but has the following conditions applied:

- Any month net gaming proceeds are less than \$6m, no additional franchise fee.
- Any month net gaming proceeds of at least \$6m but less than \$8m, an additional two percent.
- Any month net gaming proceeds of \$8m or more, an additional three percent.

Riverboats also pay an admission fee, which is a maximum of \$3. Lastly, riverboats are required to pay a casino license renewal fee of \$100,000 annually.

For the state's land-based casino, it pays the greater of 18.5% of gross revenues or an annual fee of \$60m.

The state's racetrack casinos pay an effective tax rate of around 36 percent of gaming revenue. That rate comprises an 18 percent contribution to the Louisiana horse racing industry taken off the top, with the remaining revenue subject to a state tax of 18.5 percent and local taxes of up to 4 percent.

There is a license tax of 18.5 percent on net slot machine proceeds.

Tax Allocation: The state's portion of gaming tax is allocated annually at the discretion of the state legislature. The tax is contributed to the State General Fund, public retirement systems, state capital improvements and the state's rainy-day fund.

Promotional Credits: Promotional credits in the state are taxed as normal revenue.

Withholding Tax on Gambling Winnings: The state withholds 6 percent on slot machine winnings greater than \$1,200.

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Revenue Share: The Coushatta Tribe of Louisiana must make annual payments to the local governments of Allen Parish and the Town of Elton in the annual amount of \$7m. The Tunica-Biloxi Indian Tribe of Louisiana must contribute 6 percent of the net revenues from the conduct of Class III gaming to Avoyelles Parish. Lastly, the Chitimacha Tribe of Louisiana must contribute 6 percent of the net revenues from the conduct of Class III gaming to St. Mary Parish.

State Use of Revenue: Local gaming communities use revenue to offset and defray expenses resulting from Class III gaming.



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.

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

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Statutory Funding: Louisiana's racinos must contribute 1 percent of total gaming machine revenue towards the funding of responsible gaming initiatives, up to a maximum of \$500,000 from each licensed facility.

Self-exclusion: Louisiana has a self-exclusion program from casino gaming. Once an individual has placed their name on the self-exclusion list, they will be excluded from casino gaming activities at all casino gaming establishments for a minimum of five years.

Alcohol use: Louisiana's commercial gaming establishments allow service of complimentary alcoholic beverages to patrons.

Advertising Restrictions: Exterior print advertising including, but not limited to, billboards, must display the toll-free telephone number and all accompanying letters in a rectangle. This rectangle must comprise an area equal to 1/10 of the entire advertisement's height and extend across the entire width of the advertisement.

On-Premise Display Requirement: Signs displaying the toll-free number must be posted at each public entrance to the designated gaming area and at each public entrance into the casino.

Restrictions on Minors on the Gambling Premises: Persons under 21 years of age are not allowed to loiter in the gaming area.

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Statutory Funding Requirement: There are no statutory funding requirements in the tribal-state gaming compacts or tribal gaming ordinances.

Self-exclusion: While not outlined in the compact, some casinos in the state offer self-exclusion programs while others do not. Individuals must self-exclude for at least one year and may self-exclude up to a lifetime.



Complimentary Alcoholic Drinks: While not outlined in the compact, some casinos in the state offer complimentary alcoholic beverages while others do not.

Advertising Restrictions: There are no advertising restrictions in the tribal-state gaming compacts or tribal gaming ordinances.

On-Premise Display Requirement: There are no on-premise display requirements in the tribal-state gaming compacts or tribal gaming ordinances.

Prevention of Underage Gambling: Persons under 21 years of age are not allowed to participate in any gaming activity.

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

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: All Class III gaming authorized by the compacts must be conducted on a cash or casino credit basis. While not outlined in the compacts, one of the tribal-casino’s websites requires persons wanting credit must request and qualify for at least \$2,500.

The tribes may also cash checks and may install bank card and credit card facilities in the same manner as permitted at retail businesses in the state.



Other Regulations

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Testing Requirements: Slot machines in the state must be approved by independent gaming laboratories before being offered in gaming establishment.

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: Casinos operators must notify the State Police Gaming Enforcement Division of the arrival date.

Credit Offered to Patrons: The Louisiana Gaming Regulations outline minimum required procedures for the extension of credit.

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

Smoking Bans: Louisiana gaming laws and statutes do not outline smoking bans.



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

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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.

Smoking Bans: Louisiana tribal gaming laws and statutes do not outline smoking bans.

Cashless Gaming & Alternative Payments: Louisiana tribal gaming laws and regulations do not outline cashless and alternative payment methods. However, cryptocurrency is not currently accepted as a form of payment for gambling transactions.



Sports Betting

Authorized Operators: Legislation enacted in June 2021 allows the Louisiana Gaming Control Board (LGCB) to issue up to 20 licenses to operate a sportsbook. The LGCB is required to first consider applications from the state's land-based casino, the state's 15 riverboat casinos, and the state's four racetracks.

Mobile/Online: Mobile/online sports betting is permitted. Each operator is allowed to contract with up to two "skins" who may each provide individually branded websites, along with a mobile application. The Louisiana Lottery Corporation may operate and administer a sportsbook, which must be offered exclusively through electronic means.

Taxes and Fees: Operators must pay an application fee of \$250,000 and a license fee of \$500,000 for a sports wagering operator license. The license must be renewed every five years. Online sportsbook platform providers will be subject to a \$100,000 application fee and \$250,000 permit fee. The permit must be renewed every five years.

The Louisiana Lottery Corporation may issue a retail establishment permit to suitable persons that contract with an operator to host sports wagering mechanisms. Applicants for a sports wagering retail establishment permit are subject to a \$1,000 application fee and a \$100 permit fee. The permit must be renewed annually.

Louisiana



Sports-betting revenue will be taxed at a rate of 10 percent for sports wagering conducted at a retail location. For revenue generated through mobile application or website, there is a 15 percent tax on sports-betting revenue.

Amateur Restrictions: Licensees may not accept wagers on high-school sporting events.

Tax on Promotional Credit: Eligible promotional play is not taxed by the state. Eligible promotion play cannot exceed \$5mil per year.

Age Restrictions: A person must be at least 21 years old to participate in sports-betting.