



## Regulatory Oversight

### COMMERCIAL GAMING

**Governing Body:** The Massachusetts Gaming Commission oversees casino gaming in Massachusetts. The commission consists of five members. Each commissioner shall serve for a term of five years and is eligible for reappointment; however, no commissioner may serve for more than ten years. The commission is responsible for the general oversight and protection of gaming in the state.

The Division of Gaming Enforcement within the Attorney General's Office is generally responsible for enforcing the criminal violations of the casino law, such as investigating and prosecuting allegations of criminal activity related to or affecting the operation of gaming establishments or games and receiving and taking appropriate action on referrals for criminal prosecution from the commission or any other law enforcement body. The Massachusetts Police and the Alcoholic Beverages Control Commission also have a role in regulation.



## Licensing

### COMMERCIAL GAMING

**Operator:** Casino licensees may offer both gaming machines and table games. Casino licensees are subject to a \$500m minimum capital investment requirement and an initial license fee of \$85m. Licenses are valid for an initial period of 15 years.

The state's slot parlor licensee may only offer gaming machines and is subject to a \$125m minimum capital investment requirement as well as an initial license fee of \$25m. The slot parlor licensee may not operate more than 1,250 machines.

**Supplier License:** Primary gaming vendors are required to pay a \$15,000 license fee every three years. Secondary gaming vendors are required to pay a \$5,000 license fee every three years.



## Taxation

### COMMERCIAL GAMING

**Gaming Tax Rate:** Casinos in the state are taxed at a rate of 25 percent of gaming revenue, plus a \$600 fee, collected annually, for each of their gaming machines. The slot parlor is taxed at an effective rate of 49 percent of gaming revenue, including 40 percent to the state and 9 percent to the Race Horse Development Fund. Like casinos, the slot parlor is also subject to the \$600 annual fee for each of its gaming machines.



**Tax Allocation:** The net terminal income collected by the state will be distributed in the following manner:

Casino	
Massachusetts Cultural Council	2%
Massachusetts Tourism Fund	1%
Community Mitigation Fund	6.5%
Local Capital Projects Fund	4.5%
Commonwealth Stabilization Fund	10%
Education Fund	14%
Gaming Economic Development Fund	9.5%
Debt Reduction	10%
Transportation Infrastructure and De-velopment Fund	15%
Public Health Trust Fund	5%
Race Horse Development Fund	2.5%
Slot Parlor	
General Local Aid Fund	100%

**Promotional Credits:** Promotional credits shall not count toward a licensee's gross gaming revenue. [205 CMR 140.02\(e\)](#).

**Withholdings on Winnings:** Massachusetts withholds 5 percent on winnings greater than \$600.



## Responsible Gaming

### COMMERCIAL GAMING

**Statutory Requirement:** The 2011 Expanded Gaming Law required at least \$5m to be contributed, annually, to fund responsible gaming programs. The amount assessed against each casino or slot parlor will depend on the number of gaming machines it offers.

**Self-exclusion:** An individual may request to have their name placed on the voluntary self-exclusion list by completing the application and procedure outlined in [205 CMR 133.02](#). An application for placement on the self-exclusion list may only be accepted, and an intake performed, by a designated agent. Individuals may choose to self-exclude for six months, one year, three years, five years, or a lifetime. An individual may only select the lifetime duration if their name has previously appeared on the voluntary self-exclusion list for at least six months.



An individual whose name is placed on the self-exclusion list shall be prohibited from entering the gaming area of a gaming establishment or any area in which pari-mutuel or simulcasting wagers are placed for the duration of the exclusion period.

**Alcohol use:** Mass. Gen. Laws ch. 23k, §26(c) allows a licensee to distribute alcohol free of charge and for on-premises consumption to patrons in the gaming area.

**Advertising Restrictions:** No gaming licensee may authorize or conduct marketing, advertising, and/or promotional communications or activity relative to gaming that specifically targets persons younger than 21 years old.

The Responsible Gaming Framework promulgated by the commission advises licensees to develop and implement strategies to ensure advertising and promotions are delivered in a responsible manner.

**On-Premise Display Requirement:** Casinos are required to prominently post signs directing gamblers on how to receive assistance for problem gambling, including self-exclusion information.

**Restrictions on Minors on the Gambling Premises:** Must be 21 years of age to remain in a gaming area.



## Other Regulations

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**Testing Requirements:** In order to receive a permit for a gaming device, the device must be evaluated by an independent testing laboratory. 205 CMR 144 contains the technical standards for gaming devices and electronic gaming equipment.

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

**Shipping Requirements:** The Commission must be notified at least one day in advance of shipping any slot machines from outside of the Commonwealth. [205 CMR 145.02\(2\)](#).

**Credit Offered to Patrons:** Patrons may establish credit accounts at gaming venues.

**Political Contributions:** No applicant for a gaming license may contribute to an individual who holds a municipal, county or state office. [205 CMR 108](#).

**Smoking Bans:** Smoking bans are in place under Massachusetts gaming law and regulations.

**Cashless Gaming & Alternative Payments:** Cashless gaming systems are permitted under Massachusetts gaming laws and regulations. Additionally, Massachusetts does not accept cryptocurrency as a form of payment for gambling.



## Sports Betting

**Authorized Operators:** The state's three casinos are eligible to apply for a "category 1" license for the right to offer up to two mobile skins in addition to a retail sportsbook. The state's two horseracing simulcast facilities may obtain a "category 2" license for the right to offer a retail sportsbook and one mobile skin. State law also allows up to seven "category 3" licenses to be awarded to mobile operators untethered to a land-based operator.

**Mobile/Online:** Mobile/online sports betting is permitted.

**Taxes and Fees:** Operators must pay an initial licensing fee of \$5m with a renewal fee of \$5m after five years. Qualified gaming entities can request a temporary license for immediate commencement of betting operations after paying a \$1m license fee.

Operators are subject to a tax rate of 15 percent of adjusted gross sports wagering receipts from in-person sports betting and 20 percent of adjusted gross receipts from sports wagering through mobile applications.

**Amateur Restrictions:** Massachusetts prohibits sports wagering involving high school sports, youth sporting events, and collegiate sporting teams from the state. Sports betting on collegiate sport events is only permitted if a Massachusetts-based team is involved in a collegiate tournament.

**Tax on Promotional Credits:** Yes. Adjusted gross sports wagering receipts include the total gross receipts from sports wagering less the sum of the total of all winnings paid to participants and all excise federal-level taxes.

**Age Restrictions:** Players must be at least 21 years of age.