



Sports Betting

Authorized Operators: The DC Lottery has exclusive rights to operate sports betting throughout the District via lottery retailers and a mobile platform (except where gambling is prohibited), but the legislation also allows private operators to partner with local sports facilities and other businesses to offer on-site betting.

Mobile/Online: Online and mobile betting is run through the DC Lottery's platform. Sports venues with a Class A license are permitted to offer mobile wagering within their facilities and within the two-block radius surrounding the facility. Other businesses with a Class B license are permitted to offer on-site mobile betting. Licensees are permitted to use either in-house or third-party platforms and are allowed one skin.

Operator Taxes & Fees: The D.C. government retains all profits from DC Lottery-operated retail and mobile sports wagering, while private sports-betting operators are required to pay a 10 percent tax on on-site revenue. Should the D.C. government decide to permit private operators to offer district-wide mobile wagering in the future, gross revenue from those operations would be subject to a tax rate of 20 percent.

A \$5,000 application fee must be paid for a lottery-operated sports wagering license (lottery retailers), which must be renewed every two years for the same amount.

An initial license fee of \$500,000 is required for Class A operator licenses (sports facilities) and must be renewed every five years for \$250,000. Class B operator licenses (restaurants, bars, etc.) have an initial license fee of \$100,000 and must be renewed every five years for \$50,000.

The initial license fees for Class A and Class B licenses can be reduced to \$125,000 and \$25,000, respectively, if operators form partnerships with local businesses that hold a majority interest in the joint venture. Renewals must be accompanied by a report detailing the licensee's Certified Business Enterprise (CBE) participation to be eligible for the reduced fee amounts.

Amateur Restrictions: Sports betting operators in the District are prohibited from taking bets on college games that involve D.C. based teams, collegiate sports events that take place within D.C. and all high school sports events. However, bets can be offered on the other games of a college sports tournament, such as the March Madness basketball tournament, in which a DC college team participates.

Tax on Promotional Credits: Operators may deduct cash or cash equivalents paid to players as a result of sports wagering; cash or cash equivalents paid to purchase annuities to fund prizes payable to players over a period of time as a result of sports wagering; and the actual cost paid by the license holder for any personal property distributed to a player as a result of sports wagering, excluding travel expenses, food, refreshments, lodging and services.

Age Restrictions: Individuals must be at least 18 years of age to participate in sports wagering.