

MASSACHUSETTS

A first full year of mobile sports betting operations helped drive Massachusetts to record commercial casino gaming revenue of \$1.86 billion in 2024, up 11.5 percent from the prior year.

KEY STATE INFORMATION

NUMBER OF COMMERCIAL CASINOS
3

CASINO FORMAT

Land-Based Casinos;
Racinos

NOTABLE FORMS OF GAMING

Sports Betting

REGULATORY AUTHORITY

Massachusetts
Gaming Commission

GROSS CASINO GAMING REVENUE 2024

\$1.86B

GAMING TAX REVENUE 2024

\$471.7M



Market Overview

Massachusetts offers commercial casino gaming at two casino-resorts operating electronic gaming devices, table games and sports betting, as well as at one racino, which is restricted to electronic gaming devices and sports betting.

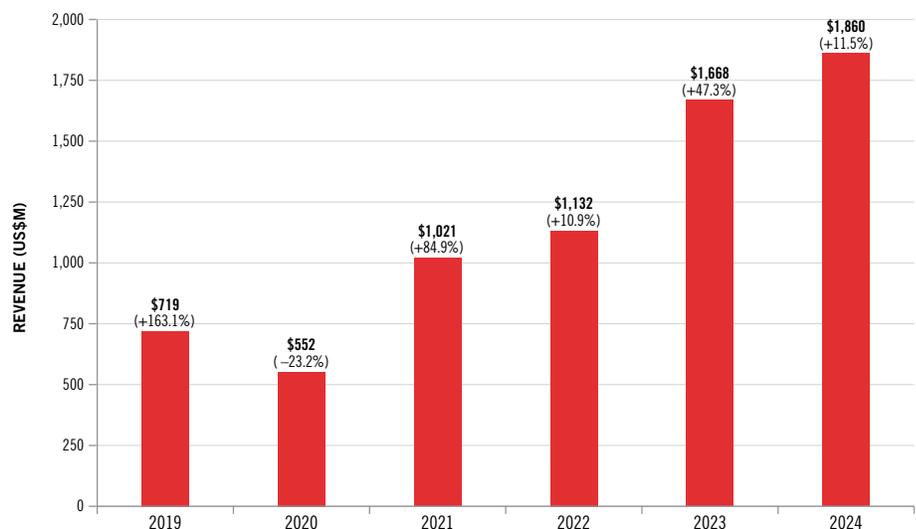
Casino gaming was legalized in 2011 when the legislature passed a law authorizing commercial gaming at three casino-resorts in different regions of the state, plus an additional “Category 2” facility limited to electronic gaming devices. The law also established the Massachusetts Gaming Commission to issue licenses for the four properties and to regulate their operations.

Massachusetts’ Category 2 casino was opened alongside Plainridge Park, a harness racing track in Plainville, in 2015. The MGM Springfield and Encore Boston Harbor casino-resorts opened in 2018 and 2019, respectively.

The license for Massachusetts’ fourth and final casino was designated under the 2011 law for the Mashpee Wampanoag Tribe to develop a tribal casino in the southeastern region of the state. The Mashpee project has been stalled by a series of legal challenges, although the Massachusetts Gaming Commission has declined to move forward with licensing an alternative commercial casino project in the same region.

In 2022, the Massachusetts legislature passed a bill to authorize sports wagering at the state’s commercial casino and racing facilities as well as through affiliated and standalone mobile sportsbook platforms. Both land-based and mobile sports betting were launched in early 2023. At the end of 2024, seven online sports betting platforms were live in the state, down from eight at the start of the year.

MASSACHUSETTS: COMMERCIAL CASINO GAMING REVENUE (US\$M) 2019 to 2024



SOURCE: Massachusetts Gaming Commission

Market Performance

In 2024, total statewide commercial gaming revenue was a record \$1.86 billion, up 11.5 percent on the prior year.

Revenue from traditional casino games at the state's three land-based casino properties was \$1.19 billion, up just 0.4 percent versus 2023. Total revenue from electronic gaming devices was \$806.3 million, up 2.1 percent, but table games revenue fell to \$382.6 million, a decline of 3.1 percent.

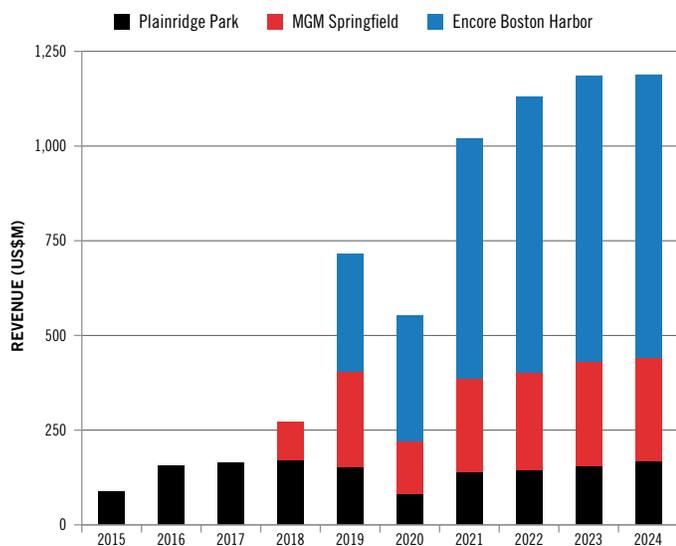
In contrast, Massachusetts saw strong growth in sports betting revenue during the market's first full year of operation. Total sports betting revenue amounted to \$670.7 million, up 38.8 percent, with mobile sports wagering accounting for nearly 99 percent of the total. Retail sportsbooks at the state's three land-based casinos reported revenue of just \$7.2 million, compared with \$9.5 million in 2023 when they were open some two months prior to the launch of statewide mobile sports betting.

Gaming Tax Distribution

When Massachusetts authorized commercial casino gaming in 2011 it established different tax rates for its Category 1 and Category 2 licensees.

MASSACHUSETTS: ANNUAL CASINO GGR (US\$M) 2015 to 2024

In 2024, Encore Boston Harbor in Everett remained the most lucrative casino in Massachusetts and the third highest grossing commercial casino in the country outside of Nevada (which does not publicly report individual property revenues). The casino-resort located just north of Boston generated slightly more less than \$748.1 million in total annual gaming revenue.



SOURCE: Massachusetts Gaming Commission

Whereas Plainridge Park, which holds the Category 2 license, is subject to a 49 percent tax on electronic gaming device revenue, MGM Springfield and Encore Boston Harbor are subject to a lower rate of 25 percent for both electronic gaming device and table game revenue. The lower overall rate reflects, in part, the greater staff cost involved in the hosting of live table games, as well as the larger amounts Category 1 licensees were required to invest to develop their casino-resorts. In addition to the taxes on revenue, all commercial casino facilities must pay a \$600 annual fee for each of their electronic gaming devices.

Revenue from land-based sports betting is taxed at a rate of 15 percent, while mobile sports betting is taxed at 20 percent. Sportsbook operations are further subject to a 0.25 percent federal excise tax applied to wagering handle.

In 2024, Massachusetts' commercial casinos and sports betting operators generated total gaming tax revenue of \$471.7 million, up 10.4 percent from the prior year.

Of this total, approximately \$180.4 million was distributed to the Massachusetts Gaming Local Aid Fund, which was created under the 2011 gaming law to help support the budgetary needs of city and town governments across the state. The fund receives the vast majority of tax revenue from Massachusetts' Category 2 casino and is the single biggest beneficiary of taxes raised from electronic gaming devices and table games at the state's two casino-resort properties. The Local Aid Fund also receives 27.5 percent of total sports wagering tax revenue.

Other major beneficiaries of commercial casino gaming tax revenue in Massachusetts include a transportation infrastructure fund, a state education fund, a public health trust fund and the state's horse racing industry.

Competitive Landscape

Massachusetts' three commercial casinos operate in a fiercely competitive New England gaming market that also includes several large-scale commercial and tribal casinos in neighboring Connecticut and Rhode Island that have traditionally drawn a significant proportion of their customers from the Bay State.

Additional in-state competition is also pending in the form of the Mashpee Wampanoag's tribal casino-resort on Indian lands in the city of Taunton, some 20 miles from Plainridge Park Casino. The Mashpee project has faced a series of legal obstacles over the past decade, but it took a major step forward in 2021 when the U.S. Department of Interior finally agreed to take land into federal trust for the planned casino-resort. Federal district and appellate courts rejected legal challenges brought against that land determination, and the final hurdle was cleared in 2024.

Massachusetts

when the U.S. Supreme Court declined to review the case. Meanwhile, a second Massachusetts Indian tribe, the Wampanoag Tribe of Gay Head (Aquinnah), is also pursuing development of a more modest gaming facility limited to electronic bingo devices on the island of Martha's Vineyard.

From a sports betting perspective, following the launch of mobile sports betting in Vermont in early 2024, each of Massachusetts' bordering states now offers legal sports wagering.

Policy & Regulatory Review

Sports Betting

After launching in 2023, Massachusetts regulators and policymakers took several steps to alter the state's sports betting market during the course of 2024.

In November, the Massachusetts Gaming Commission received an independent consultant's report on the feasibility of expanding the state's sports betting market to include wagering kiosks at additional retail locations other than land-based casinos.

Citing data from other U.S. jurisdictions including Ohio and Washington D.C., the report ultimately recommended that Massachusetts should not authorize retail kiosks due to a lack of economic upside to offset societal and regulatory risks. Still, the report provided a series of more specific policy recommendations in the event that kiosks are authorized by the Massachusetts legislature.

During the course of 2024, the Massachusetts Gaming Commission adopted several amendments to its sports wagering regulations, including provisions establishing data privacy requirements for the state's online sports betting operators. The commission also held a series of public hearings to explore how operators limit play by experienced sports bettors or by players showing potential signs of addictive behavior.

Illegal Gaming

In 2024, the Massachusetts Attorney General took action against several sports betting and fantasy sports operators deemed to be acting in violation of the state's gaming regulations.

In October, the Attorney General's Office sent a formal cease-and-desist order to the Curaçao-based parent company of prominent offshore gaming site Bovada. The operator withdrew from Massachusetts a few weeks later.

In February, the Attorney General's Office also sent cease-and-desist letters to a total of 10 operators of fantasy sports contests, including several that were registered to operate in Massachusetts. The letters alleged that the fantasy sports companies were offering fantasy sports contests that mimic proposition bets or other forms of sports wagering, contrary to the state's regulations.

Internet Gaming

In July, Gov. Maura Healey (D) signed an annual budget law that included provisions authorizing the Massachusetts Lottery to offer online versions of traditional lottery games for the first time.

The state lottery had lobbied for several years for legislative authorization to offer internet-based games, citing a desire to appeal to a younger audience and increased digital competition in the form of mobile sports betting. At the end of 2024, 13 state lotteries were offering internet lottery programs, with Massachusetts, Kansas and New Jersey among states with either regulations or legislation on the books to enable their lotteries to follow suit.