

NEBRASKA

In 2024, total statewide commercial casino gaming revenue in Nebraska increased by more than 63.6 percent to \$145.7 million, reflecting the opening of several new casino facilities across the state.

KEY STATE INFORMATION

NUMBER OF COMMERCIAL CASINOS

4

CASINO FORMAT

Racinos

REGULATORY AUTHORITY

Nebraska Racing and Gaming Commission

GROSS CASINO GAMING REVENUE 2024

\$145.7M

GAMING TAX REVENUE 2024

\$29.1M



Market Overview

Nebraska offers commercial casino gaming at four racino facilities that are authorized to offer electronic gaming devices, table games and sports betting.

In 2020, voters approved a state constitutional amendment to allow commercial casino gaming at licensed racetracks in Nebraska. State lawmakers approved a bill in 2021 to implement the voter referendum and that legislation also permitted prospect of sports betting being offered at racinos alongside traditional electronic gaming device and table game operations. The state's first racinos commenced operations in 2022. Casino gaming is regulated by the Nebraska Racing and Gaming Commission.

Market Performance

In 2024, total statewide commercial casino gaming revenue amounted to \$145.7 million, an increase of 63.6 percent from the previous year.

The total reflected the ongoing expansion of the state's commercial casino gaming market. In 2024, Harrah's Columbus Racing & Casino and WarHorse Casino Lincoln both opened as full-fledged casino-resorts, having previously operated with a limited number of electronic gaming devices as temporary facilities. WarHorse Casino Omaha—the first casino in Nebraska's largest city by population—also began operations in August.

Statewide revenue from electronic gaming devices totaled \$131.7 million in 2024, up 50.8 percent compared to the prior year. Table games revenue was \$9.2 million versus just \$732,000 in 2023 when they were offered by only one Nebraska racino. Meanwhile, annual sports betting revenue was \$4.7 million versus \$1.8 million the previous year.

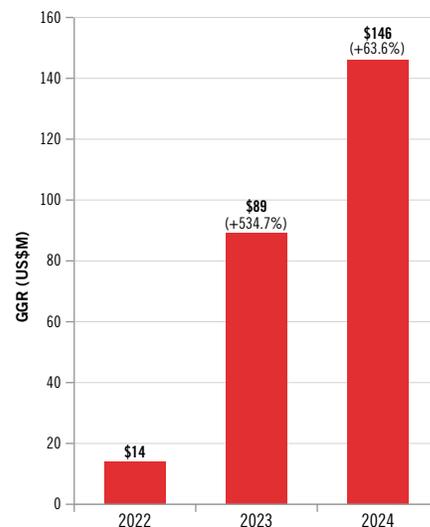
Gaming Tax Distribution

In accordance with 2020's state constitutional amendment, Nebraska commercial casinos are subject to a state tax of 20 percent of gaming revenue. Sportsbook operations at racinos are also subject to a 0.25 percent federal excise tax applied to wagering handle.

In 2024, Nebraska's racinos generated approximately \$29.1 million in gaming tax revenue, up 63.4 percent compared to the prior year.

NEBRASKA: COMMERCIAL CASINO GAMING REVENUE (US\$M)

2022 to 2024



SOURCE: Nebraska Racing and Gaming Commission

Nebraska

Under Nebraska’s constitution, 70 percent of casino gaming tax revenue is allocated to the state’s Property Tax Credit Cash Fund. Additionally, 25 percent of tax revenue is distributed to the host county, city and village governments of each racino, with the remaining 5 percent split evenly between a compulsive gambling assistance fund and Nebraska’s General Fund.

Competitive Landscape

Nebraska’s commercial casino gaming market is poised for further expansion in 2025 when Grand Island Casino Resort is expected to open a permanent casino facility offering a wider range of electronic gaming devices, table games and sports betting, along with other amenities, while WarHorse Casino Omaha is set to expand further with the opening of a hotel and parking garage in the first half of 2025. Nebraska’s two other racinos—Harrah’s Columbus Racing & Casino and WarHorse Casino Lincoln—opened permanent casinos in May and November 2024, respectively.

Established racetracks in Hastings and South Sioux City are also eligible to obtain licenses to offer casino gaming. In 2024, the Nebraska Racing and Gaming Commission received a report from an independent consultant analyzing the potential economic impact of allowing additional racino licenses to be issued beyond the state’s six established racetrack locations.

Elsewhere, Nebraska’s existing gaming market includes four tribal casinos on Indian reservation lands, while licensed bars and other establishments are authorized to host electronic gaming devices based on player “skill.”

In terms of out-of-state competition, WarHorse Casino Omaha competes directly with three commercial casinos in Council Bluffs, Iowa. A future racino in South Sioux City would compete against another Iowa casino property in Sioux City.

Policy & Regulatory Review

Sports Betting

During a special session of the legislature in July and August, Nebraska lawmakers considered a state constitutional amendment and an accompanying bill to authorize Nebraska’s racinos to offer statewide mobile sports betting.

The proposals were filed alongside a series of revenue-raising initiatives to help fund a planned reduction in property taxes in Nebraska, as supported by Gov. Jim Pillen (R).

During a formal hearing on the bills, proponents said mobile sports betting would ensure that Nebraska’s

casino gaming industry remained competitive with neighboring states.

Ultimately, the sports betting measures were not approved during the summer’s special session. Still, Gov. Pillen voiced support for mobile sports betting in general, stating that he intended to introduce a bill as a priority during Nebraska’s regular legislative session in 2025.

Electronic Gaming Devices

In April, Gov. Pillen signed a bill enacting various reforms to regulations governing electronic gaming devices based on player “skill.”

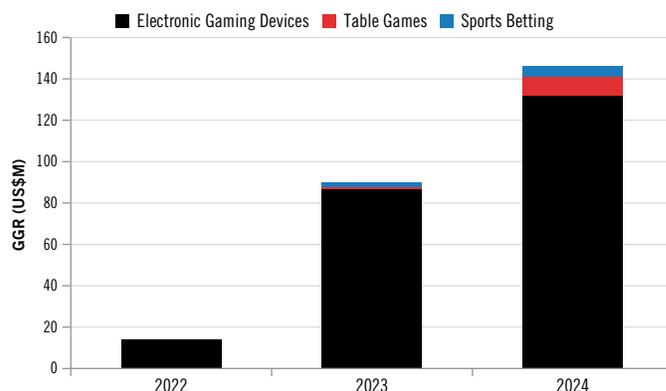
Among other things, the new legislation requires applicants for a license to host or distribute so-called mechanical amusement devices to undergo a background check unless they have already been licensed by the state to sell liquor. It also prohibited the devices from being placed in any retail locations that derive more than 40 percent of their overall revenue from amusement gaming, with the exception of veterans and fraternal organizations.

In addition, the bill clarified the tax responsibilities of device distributors and operators, and also mandated the Nebraska Tax Commissioner to establish a central monitoring system in order to audit revenue amounts being generated by the electronic gaming devices.

Gov. Pillen also proposed increasing the tax rate on revenue from amusement devices from 5 percent to 20 percent during Nebraska’s special legislative session on property tax relief later in the year. This proposal was not approved.

NEBRASKA: COMMERCIAL GAMING REVENUE (US\$M) 2022 to 2024

Despite the rollout of table games and sportsbook operations to all four commercial casino properties in the state, electronic gaming devices continued to account for the vast majority—approximately 91 percent—of overall casino gaming revenue in 2024.



SOURCE: Nebraska Racing and Gaming Commission