

NEW JERSEY

Commercial casino gaming revenue hit a record total of \$6.30 billion in 2024, as strong growth in internet gaming revenue offset a decline in revenue from electronic gaming devices and table games at Atlantic City's land-based casinos.

KEY STATE INFORMATION

NUMBER OF COMMERCIAL CASINOS

9

CASINO FORMAT

Land-Based Casinos

NOTABLE FORMS OF GAMING

Internet Gaming;
Sports Betting

REGULATORY AUTHORITY

New Jersey Division of
Gaming Enforcement;
New Jersey Casino
Control Commission

GROSS CASINO GAMING REVENUE 2024

\$6.30B

GAMING TAX REVENUE 2024

\$799.3M



Market Overview

New Jersey offers commercial casino gaming at nine land-based casinos located in Atlantic City. The casinos, which operate electronic gaming devices, table games and sports betting, are regulated by the New Jersey Division of Gaming Enforcement and the New Jersey Casino Control Commission. Sports betting is also available at state-licensed horse racetracks that do not offer other forms of casino gaming.

New Jersey voters first approved casino gaming via a 1976 constitutional amendment that restricted casinos to Atlantic City. The state's first commercial casino opened two years later.

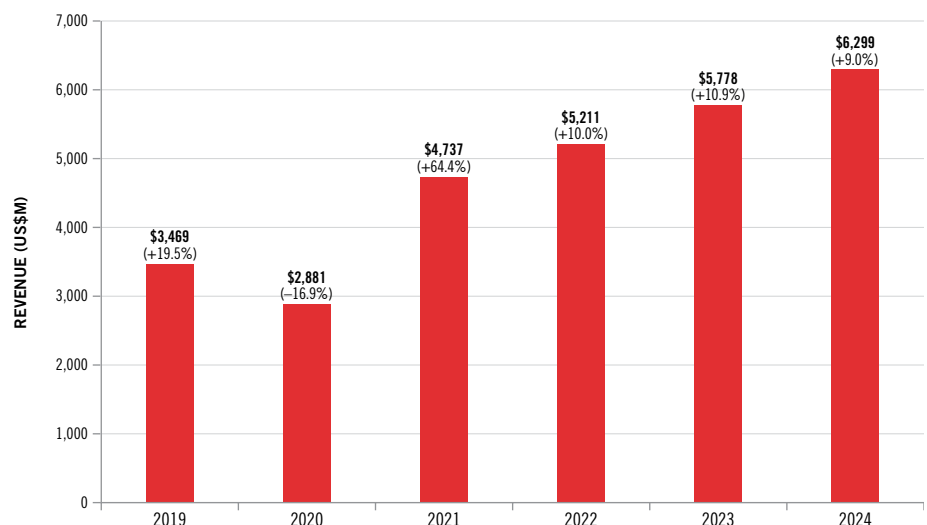
Internet gaming was legalized in 2013, with online and land-based sports betting following in 2018 after New Jersey successfully challenged a federal ban on sports wagering before the U.S. Supreme Court. At the close of 2024, a total of 29 online casinos and 14 online sportsbooks were operational in New Jersey, compared to 30 iGaming platforms and 20 sports betting sites that were active in the market at the start of the year.

Market Performance

In 2024, total statewide commercial casino gaming revenue reached an all-time high of \$6.30 billion, up 9.0 percent from the previous annual record set in 2023.

Consistent with previous years, the overall revenue growth was driven primarily by New Jersey's internet gaming market.

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



SOURCE: New Jersey Division of Gaming Enforcement

In 2024, total iGaming revenue was \$2.39 billion, up 24.1 percent from the prior year. In contrast, annual revenue from traditional gaming operations at Atlantic City casinos fell slightly, by 1.1 percent, to \$2.82 billion. Of that total, revenue from electronic gaming devices amounted to \$2.10 billion, down 0.7 percent in 2023, while table game revenue fell by 1.7 percent to \$721.4 million.

Sports betting revenue reached \$1.09 billion, up 8.7 percent from the prior year, with online sports betting accounting for almost 97 percent of the total. Annual revenue from online sports wagering amounted to \$1.06 billion in 2024, up 10.2 percent compared to the previous year, whereas revenue from land-based sports betting dropped by more than 24 percent, to \$33.5 million.

Gaming Tax Distribution

New Jersey commercial gaming revenue is taxed at varying rates depending on the type of gaming offered, and whether games are played at land-based facilities or via online platforms.

Land-based commercial casino gaming revenue is taxed at an effective rate of 9.25 percent. That rate comprises an 8 percent state gaming tax and a 1.25 percent obligation for investment in economic development projects in Atlantic City and throughout New Jersey.

iGaming revenue, meanwhile, is taxed at an effective rate of 17.5 percent, comprised of a 15 percent state gaming tax and a 2.5 percent community investment obligation.

Revenue from land-based sports betting is taxed at an effective rate of 9.75 percent, while online sports betting is taxed at 14.25 percent. Sportsbook operations are further subject to a 0.25 percent federal excise tax applied to wagering handle.

In 2024, New Jersey commercial casinos and racetracks generated approximately \$799.3 million in total state tax revenue from casino gaming and sports wagering, an increase of around 13.9 percent on the previous year.

Of that total, approximately \$679.7 million was deposited into the New Jersey Casino Revenue Fund which is dedicated to benefit New Jersey's senior citizens and disabled residents.

Additionally, approximately \$108.7 million was also paid by operators into separate funds that either support economic development and community projects in Atlantic City, or the local municipal and county governments that host racetracks with sportsbook operations.

Competitive Landscape

New Jersey commercial casinos compete in a crowded Mid-Atlantic region that includes five casino properties in the Greater Philadelphia area that has historically served as a key feeder market to Atlantic City.

Looking ahead, the main competitive challenge for New Jersey's commercial casino gaming market remains the pending licensing of three major casino-resorts in the New York City area as authorized under New York's 2022-23 state budget. While New York City already hosts two casino gaming facilities offering electronic gaming devices, New Yorkers have historically frequented Atlantic City casinos for table games and other resort offerings. The three New York City casinos are due to be licensed by the end of 2025 but are unlikely to commence operations until several years later.

Policy & Regulatory Review

Responsible Gaming

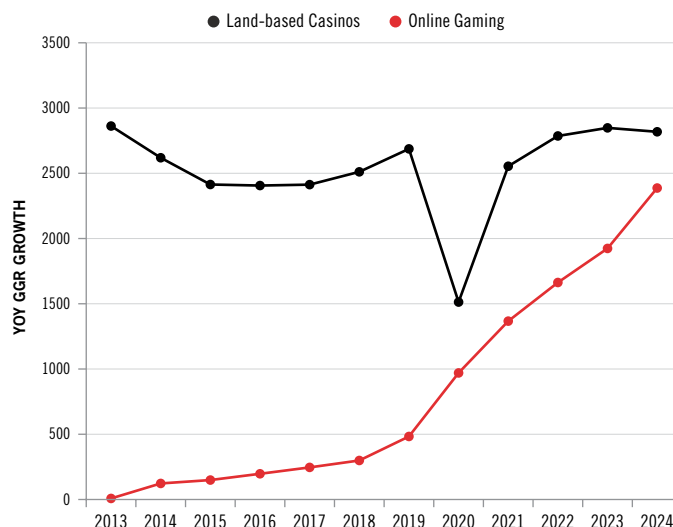
Responsible gaming remained arguably New Jersey's chief policy priority in 2024.

Following the adoption of new responsible gaming best practices the year prior, New Jersey's Attorney General

NEW JERSEY: LAND-BASED CASINO VS. IGAMING GGR (US\$M)

2013-2024

New Jersey reported total iGaming revenue of \$2.39 billion in 2024, up 24.1 percent compared to the prior year. In contrast, revenue from land-based casino games in Atlantic City's commercial casino-resorts totaled \$2.82 billion, down 1.1 percent versus 2023.



SOURCE: Nevada Gaming Control Board

New Jersey

and Division of Gaming Enforcement in March announced a first-of-its-kind public awareness campaign centered on preventing problem gambling and promoting tools and other resources available to players.

In December, the Attorney General and DGE separately announced new enrollment procedures for New Jersey's self-exclusion register, enabling players to self-exclude from casinos directly through the DGE's website without having to visit an office or schedule a virtual appointment. The updated system also grants players the option to either self-exclude from all forms of gaming, or solely from internet gaming.

Regulatory Reform

The New Jersey Division of Gaming Enforcement advanced several regulatory reform initiatives in 2024.

In June, the DGE approved a series of amendments to New Jersey regulations governing casino surveillance procedures, self-exclusion protocols, the voiding of sports wagers under certain circumstances, and progressive jackpots for casino games, among other things.

In November, the DGE published further draft amendments to its regulations governing the licensing of Atlantic City casinos. Among other things, the proposed rules would amend casinos' reporting obligations regarding material litigation or their gaming activities in jurisdictions outside of New Jersey.