

# VIRGINIA

Total statewide commercial casino gaming revenue grew 27.1 percent to \$1.42 billion in 2024, reflecting the continued expansion of Virginia's land-based casino market and ongoing growth of mobile sports betting.

## KEY STATE INFORMATION

### NUMBER OF COMMERCIAL CASINOS

3

### CASINO FORMAT

Land-Based Casinos

### NOTABLE FORMS OF GAMING

Sports Betting

### REGULATORY AUTHORITY

Virginia Lottery Board

### GROSS GAMING REVENUE 2024

\$1.42B

### GAMING TAX REVENUE 2024

\$231.5M

## Market Overview

Virginia offers commercial casino gaming at three land-based casinos that offer electronic gaming devices, table games and sports betting. Additionally, online sports betting is offered through a total of 12 licensed sportsbook platforms, down from 17 at the start of the year.

In 2020, the Virginia General Assembly approved legislation authorizing up to five casinos in specific cities across the state, subject to local voter approval. Virginia's first casino facility was opened in the city of Bristol in July 2022, followed by two additional casino properties in the cities of Portsmouth and Danville in January and May 2023, respectively.

Also in 2020, Virginia legislators approved a separate law authorizing qualified sports betting operators to obtain permits to offer online sports wagering across the state. State law allows for up to 19 permits to be awarded, with seven of them reserved for the designated partners of Virginia's land-based casinos or certain professional sports teams and a further 12 available to other operators.

Both land-based casino gaming and mobile sports betting are subject to regulation by the Virginia Lottery Board.

## Market Performance

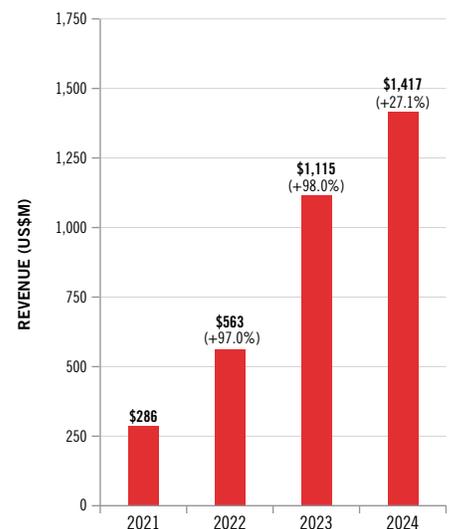
In 2024, total statewide commercial casino gaming revenue amounted to \$1.42 billion, up 27.1 percent compared to the previous year.

Total revenue from traditional casino gaming offered at Virginia's three land-based casinos reached \$732.2 million in 2024, up 32.0 percent compared to 2023 when two of the three properties were not open for the full 12-month period.

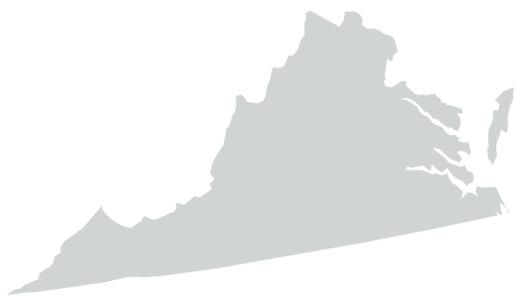
Revenue from electronic gaming devices at the three casinos totaled \$546.6 million in 2024, up 33.1 percent. Table games revenue was \$183.3 million, up 27.2 percent.

Meanwhile, sports betting revenue amounted to \$685.0 million, an increase of 22.3 percent from the prior year. The state's licensed mobile sports wagering platforms accounted for more than 99 percent of the total, with total land-based sports betting revenue declining about 26 percent to just \$4.9 million.

### VIRGINIA: COMMERCIAL CASINO GAMING REVENUE (US\$M) 2021 to 2024



SOURCE: Virginia Lottery



## Gaming Tax Distribution

### VIRGINIA CASINO GAMING TAX

Gaming Revenue	Tax Rate Applied
\$0–\$200M	18 percent
\$200M–\$400M	23 percent
\$400M+	30 percent

Virginia applies a graduated tax to land-based casino gaming operators' revenue, ranging from 18 percent on revenue up to \$200 million, to 30 percent on revenue of more than \$400 million.

Revenue from online sports betting in Virginia is taxed at a headline rate of 15 percent, applied after limited deductions of free bets and other bonuses and promotions. Sportsbook operations are further subject to a 0.25 percent federal excise tax applied to wagering handle. Federal excise payments are also deductible from revenue subject to the state's sports betting tax.

In 2024, Virginia's commercial casino and sports betting operations generated total state gaming tax revenue of approximately \$231.5 million, an increase of 33.4 percent versus the previous year. Land-based casino gaming accounted for \$139.3 million of the tax revenue total, while sports betting generated approximately \$92.3 million in taxes.

Under state law, tax revenue generated by land-based casino gaming is collected in Virginia's Gaming Proceeds Fund and then redistributed to various beneficiaries. Between six and eight percent of casino revenue is returned to the casino's host city, depending on the amount of revenue generated, with 0.8 percent of revenue appropriated for problem gambling treatment and support and a 0.2 percent distributed to a state fund that supports those suffering from family violence and trauma. The remainder is applied to Virginia's General Fund and used for state budgetary purposes as determined by the state legislature.

The vast majority of sports betting tax revenue is allocated to Virginia's General Fund, with 2.5 percent of total revenue set aside for the state's Problem Gambling Treatment and Support Fund.

## Competitive Landscape

Expansion of Virginia's commercial casino market is due to continue over the next few years.

Both Hard Rock Casino & Hotel Bristol and Caesars Virginia in Danville only opened as permanent casino-resorts in late 2024, having initially operated as smaller,

temporary casino facilities with fewer electronic gaming devices, table games and other available amenities.

Construction on a \$750 million casino-resort in Norfolk also began in October 2024, after a development agreement involving the Pamunkey Indian tribe and its partner was approved by the city council. Meanwhile, voters in Petersburg passed a local referendum on casino gaming in November, making the city eligible to host the fifth and final commercial casino authorized under a 2020 state law.

Potential expansion of the state's casino market may also be considered by lawmakers in future years, after a bill to authorize a sixth casino property in Fairfax County near Washington D.C. was filed in the Virginia Senate in 2024. That bill was not approved by lawmakers, but proponents said they would reintroduce it for further consideration in the 2025 session.

In addition to land-based casinos, Virginia's broader gaming market includes a racetrack and affiliated off-track betting facilities that are eligible to offer electronic gaming devices based on the outcome of historical horse races. A total of eight historical horse racing facilities were operational at the end of 2024, including a larger property offering 1,650 electronic gaming devices that opened in Dumfries, some 30 miles south of Washington D.C., in November.

In terms of sports betting, following the launch of the North Carolina market in 2024, each of Virginia's six bordering states now offers mobile sports wagering with retail sportsbooks also operating in all of them bar Tennessee.

## Policy & Regulatory Review Expansion

In November, local voters in Petersburg overwhelmingly approved a referendum on a proposed \$1.4 billion casino-resort to be developed in the city.

The referendum was held after Gov. Glenn Youngkin (R) signed a bill in April authorizing Petersburg to replace the nearby city of Richmond as one of the five Virginia cities eligible to host a casino under state law. Richmond city voters rejected a casino referendum for a second time in November 2023, clearing the way for Petersburg to be considered as an alternative location.

Virginia's 2020 law requires local voter approval in each city eligible to host casino gaming. Richmond is the only one of the five original casino locations to reject the opportunity.

The planned Live! Casino & Hotel is expected to be opened at some point in 2026, following further regulatory approvals by local government and by the Virginia Lottery Board.

## Illegal Gaming

In May, Gov. Youngkin vetoed a bill that would have reversed Virginia’s statutory prohibition on electronic gaming devices supposedly based on player “skill” and established a regulatory regime for the devices.

State lawmakers had passed a bill several weeks earlier to authorize up to four electronic gaming devices in licensed bars, convenience stores and other locations, and up to 10 at truck stops.

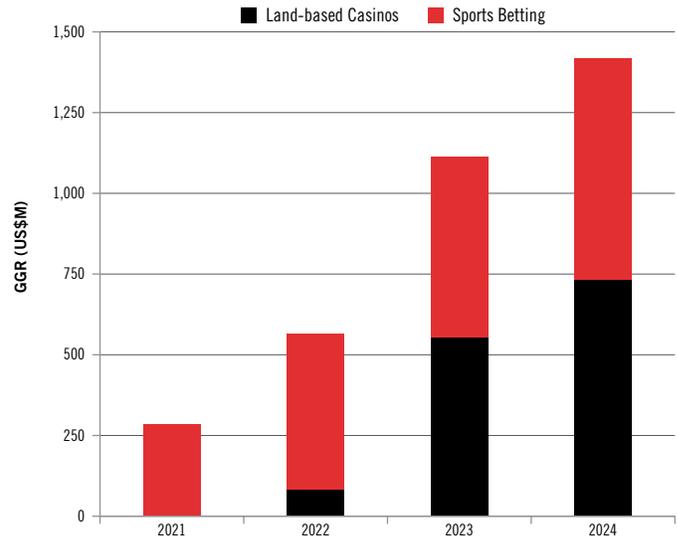
Gov. Youngkin returned the bill to the General Assembly with various proposed amendments, including a cap of no more than 20,000 “skill game” devices statewide and prohibiting them in any location within 35 miles of a licensed casino or historical horse racing facility. The governor also insisted that the devices be subject to regulation by the Virginia Lottery Board and that Virginia towns and cities have the authority to opt out of the market by passing either a local ordinance or a voter referendum to prohibit the devices in their jurisdictions.

Gov. Youngkin ultimately vetoed the measure after his amendments were rejected by the Virginia House of Delegates and Senate, as lawmakers insisted on approving their original version of the bill.

So-called “skill games” became prohibited in 2021 after a temporary registration system for the devices expired. State courts upheld the statewide ban in late 2023, enabling it to become enforceable.

## VIRGINIA: COMMERCIAL GAMING REVENUE (US\$M) 2021 to 2024

For the first time, Virginia reported greater revenue from land-based casino gaming in 2024 than from sports betting. Commercial casinos and online sports betting were both authorized under separate state laws approved by Virginia’s General Assembly in early 2020.



SOURCE: Virginia Lottery