

WEST VIRGINIA

In 2024, total statewide commercial casino gaming revenue increased by 9.6 percent to \$878.8 million, driven primarily by strong growth in West Virginia's internet gaming market.

KEY STATE INFORMATION

NUMBER OF COMMERCIAL CASINOS

5

CASINO FORMAT

Land-based Casinos;
Racinos

NOTABLE FORMS OF GAMING

Sports Betting;
Internet Gaming

REGULATORY AUTHORITY

West Virginia Lottery
Commission

GROSS CASINO GAMING REVENUE 2024

\$878.8M

GAMING TAX REVENUE 2024

\$313.5M



Market Overview

West Virginia offers commercial casino gaming at four racinos and one land-based casino. Each of the five land-based venues operates electronic gaming devices, table games and sports betting under the authority of the West Virginia Lottery Commission.

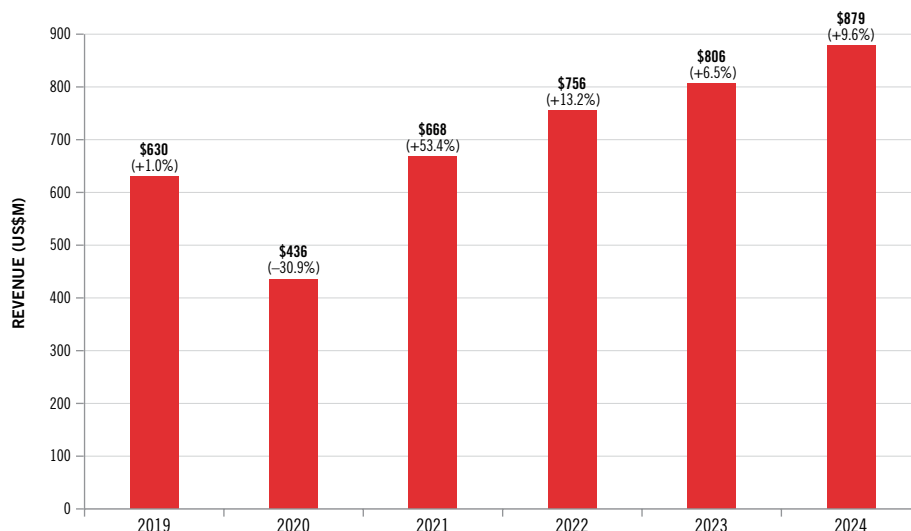
The state authorized commercial casino gaming in 1994 when the West Virginia legislature endorsed the operation of electronic gaming devices at licensed racetracks, subject to local approval. Legislation allowing racinos to add table games was approved in 2007. In 2008, voters approved casino gaming at The Greenbrier historic hotel and legislators authorized table games at the property the following year.

Anticipating a favorable ruling by the U.S. Supreme Court to strike down a federal ban, the state legislature passed a bill in March 2018 legalizing land-based and online sports betting. In 2019, additionally legislation was passed authorizing iGaming through online casino platforms partnering with the state's casinos and racinos. At the close of 2024, a total of nine online sportsbooks and 10 online casinos were operational.

Market Performance

In 2024, total statewide commercial casino gaming revenue in West Virginia was \$878.8 million, up 9.6 percent on the prior year.

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



SOURCE: West Virginia Lottery

West Virginia

The overall total—the state’s highest since 2012—reflected the strong growth of West Virginia’s internet gaming market, which offset declining revenue from traditional casino gaming at land-based properties.

Total revenue from iGaming in 2024 was \$246.5 million, up 57.3 percent compared to the previous year. Meanwhile, combined revenue from mobile and retail sports betting was \$55.4 million, up 16.5 percent, with the former accounting for more than 95 percent of the total.

In contrast, revenue from traditional casino gaming at West Virginia’s five casino properties was \$576.9 million, down 3.5 percent versus 2023. Total revenue from electronic gaming devices was \$479.1 million, down 3.5 percent, while table game revenue was \$97.8 million, down 5.6 percent on the previous year.

Gaming Tax Distribution

Revenue from electronic gaming devices at West Virginia’s five casino properties is subject to an effective tax rate of about 50.5 percent, while table games are taxed at 35 percent.

The tax rate for iGaming is 15 percent, with sports betting subject to a state tax of 10 percent of revenue. Sportsbook operations are further subject to a 0.25 percent federal excise tax applied to wagering handle.

In 2024, West Virginia’s commercial casinos and affiliated online sports betting and internet gaming platforms generated total gaming tax revenue of approximately

\$313.5 million, an increase of 0.8 percent from the prior year.

The majority of gaming tax revenue is remitted to the state government, including to funds associated with the West Virginia Lottery. Lottery funds are allocated to the state’s public schools, tourism promotion, state parks, and services for senior citizens. County and municipal governments also receive a small percentage of gaming tax proceeds, as do West Virginia’s horse and greyhound racing industries.

Taxes collected from sports betting are placed in the West Virginia Lottery Sports Wagering Fund, which distributes the first \$15 million to the State Lottery Fund before remaining funds are used to help support health-insurance programs for public sector employees.

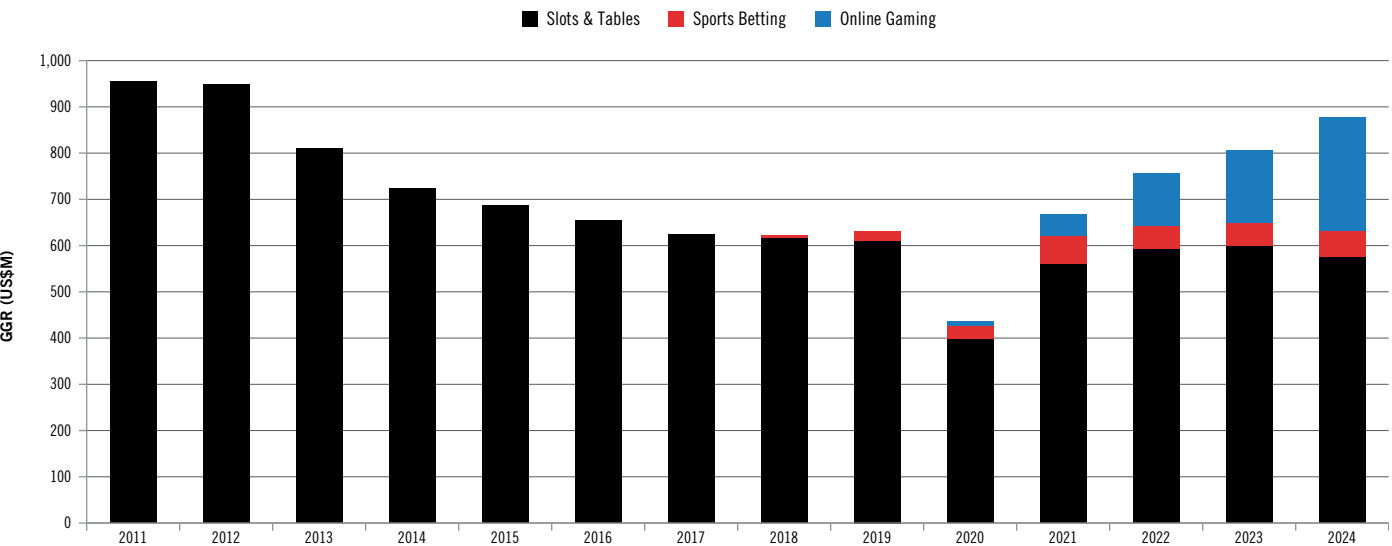
Internet gaming taxes are similarly deposited into the West Virginia Lottery Interactive Wagering Fund. The fund distributes annual tax profits to the State Lottery Fund, following deductions for regulatory costs and contributions to the pensions of West Virginia racing employees.

Competitive Landscape

West Virginia’s commercial casinos compete directly with casino properties in several neighboring states. Hollywood Casino at Charles Town Races competes with three Maryland casinos for patrons from the Greater Washington D.C.-Baltimore area, while Wheeling Island Hotel Casino Racetrack and Mountaineer Casino Racetrack & Resort both face competition from casinos and racinos in

WEST VIRGINIA: COMMERCIAL GAMING REVENUE (US\$M) 2011 to 2024

Internet gaming accounted for approximately 28 percent of total commercial casino gaming revenue in West Virginia in 2024, compared with around 19.5 percent in 2023.



SOURCE: West Virginia Lottery

West Virginia

Pittsburgh and eastern Ohio. Up to five land-based casinos have also been authorized in neighboring Virginia, although none for locations near the West Virginia border.

West Virginia's five bordering states all offer a full range of land-based and mobile sports wagering. Only Pennsylvania also offers iGaming, however.

Within the state, West Virginia's commercial casinos also compete with a network of 8,218 limited-stakes electronic gaming devices (VLTs) situated at retail establishments, such as bars and taverns. In 2024, total statewide revenue from these VLTs was \$483.8 million, down around 2.0 percent from the previous year.

Policy & Regulatory Review

Sports Betting

In March, then-Gov. Jim Justice (R) signed a bill to empower the West Virginia Lottery Commission to address potential instances of athlete harassment by sports bettors.

The new legislation authorized the commission to ban patrons from engaging in sports betting in the state if they are deemed to be a threat to the safety of athletes, coaches or officials, or if they harass event participants.

The bill also required the commission to adopt specific regulations to address how complaints can be filed against

patrons, how those bettors would be notified, and how excluded patrons may be entitled to a hearing to contest their exclusion from sports betting.

Ohio and Wyoming also adopted similar rules in 2024 to address concerns over the online harassment of athletes, especially college athletes, by losing bettors.

Regulatory Reform

Also in March, Gov. Justice signed a separate bill to allow for closer study of the impacts of sports betting, iGaming and casino gaming in West Virginia.

The new legislation expressly authorized West Virginia University to analyze all transactional data collected by the West Virginia Lottery for research purposes. Such data should be anonymized but may include bet and deposit amounts, demographic information, and usage of responsible gaming tools, among other metrics. The bill also mandated the university to establish new academic programs to foster innovation in gaming technology and prepare students for careers in various roles in the commercial gaming industry.

A further provision of the legislation will also require the West Virginia Lottery to prepare an annual report, beginning in 2026, on the impact of commercial casino gaming on players and on the state's economy.