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## **Division of Gaming Enforcement**

David Rebeck, *Director*

### **DGE Announces July 2018 Total Gaming Revenue Results**

#### **For Immediate Release:**

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#### **Industry:**

Based upon filings with the Division of Gaming Enforcement, Total Gaming Revenue for July was \$302.1 million compared to \$267.9 million in July 2017, reflecting a 12.8% increase. Casino Win for July was \$272.3 million increasing 10.1% from the same month last year. Internet Gaming Win was \$25.9 million in July compared to \$20.6 million in the prior period, reflecting an increase of 25.8%. Sports Wagering Gross Revenue was \$3.8 million for the month.

For the year-to-date, the Industry's Total Gaming Revenue was \$1.563 billion for 2018 compared to \$1.559 billion in 2017, reflecting an increase of 0.3%. Casino Win was \$1.390 billion reflecting a 1.9% decrease over the prior period. Internet Gaming Win increased 16.5% to \$165.4 million for 2018. Sports Wagering Gross Revenue was \$7.3 million since inception, on June 14, 2018.

#### **Tax Information:**

For the month of July 2018, total gaming taxes were \$23.4 million. Total gaming taxes reflect 8% of taxable casino gross revenue, 15% of Internet gaming gross revenue and 8.5% tax on casino and racetrack sports wagering gross revenue. In addition, the casino industry incurred \$4.1 million in Investment Alternative Tax Obligations, which reflects 1.25% of casino gross revenue and casino sports wagering gross revenue, as well as, 2.5% of Internet gaming gross revenue. For the month of July 2018, the Racetrack Economic Development Tax of 1.25% of racetrack sports wagering gross revenue was \$27,672.

#### **FOOTNOTES:**

- Total Gaming Revenue consists of Casino Win, Internet Gaming Win and Sports Wagering Gross Revenue. Specific launch date information is located on the statistical comparison pages and sports wagering statistical information page of this press release.

#### **Additional Information:**

Gross Revenue Reports (DGE website):

<http://www.nj.gov/oag/ge/mgrtaxreturns.html>

Internet Gross Revenue Reports (DGE website):

<http://www.nj.gov/oag/ge/igrtaxreturns.html>

Sports Wagering Revenue Reports (DGE website): <http://www.nj.gov/oag/ge/swrtaxreturns.html>

Tourism Data (CRDA website):

<http://www.atlanticcitynj.com/about/stats.aspx>

**NJ Department of Law and Public Safety / Office of the Attorney General:**

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## JULY 2018 STATISTICS

<b>JULY</b>			Increase (Decrease)	
	2018	2017	\$	%
Slot Machine Win	\$ 194,349,771	\$ 178,669,805	\$ 15,679,966	8.8
Table Game Win	77,971,601	68,597,337	9,374,264	13.7
Casino Win	<u>272,321,372</u>	<u>247,267,142</u>	<u>25,054,230</u>	10.1
Peer-to-Peer	1,848,553	2,008,124	(159,571)	(7.9)
Other Authorized Games	24,048,964	18,577,418	5,471,546	29.5
Internet Gaming Win	<u>25,897,517</u>	<u>20,585,542</u>	<u>5,311,975</u>	25.8
Sports Wagering Revenue	<u>3,831,141</u>	-	<u>3,831,141</u>	N/A
<b>Total Gaming Revenue</b>	<b><u>\$ 302,050,030</u></b>	<b><u>\$ 267,852,684</u></b>	<b><u>\$ 34,197,346</u></b>	<b>12.8</b>
<b><u>JULY YEAR-TO-DATE</u></b>				
Slot Machine Win	\$ 1,000,222,467	\$ 1,000,386,296	\$ (163,829)	0.0
Table Game Win	389,739,161	416,172,834	(26,433,673)	(6.4)
Casino Win	<u>1,389,961,628</u>	<u>1,416,559,130</u>	<u>(26,597,502)</u>	(1.9)
Peer-to-Peer	12,987,539	14,593,847	(1,606,308)	(11.0)
Other Authorized Games	152,450,129	127,405,987	25,044,142	19.7
Internet Gaming Win	<u>165,437,668</u>	<u>141,999,834</u>	<u>23,437,834</u>	16.5
Sports Wagering Revenue	<u>7,289,808</u>	-	<u>7,289,808</u>	N/A
<b>Total Gaming Revenue</b>	<b><u>\$ 1,562,689,104</u></b>	<b><u>\$ 1,558,558,964</u></b>	<b><u>\$ 4,130,140</u></b>	<b>0.3</b>
<b><u>GROSS REVENUE TAX, IAT OBLIGATIONS, AND ECONOMIC DEVELOPMENT TAX</u></b>				
	Total Gross Revenue Taxes (a)	Casino IAT Obligations (b)	Racetrack Economic Development Tax (c)	
July 2018	\$ 23,391,676	\$ 4,072,558	\$ 27,672	
YTD July 2018	\$ 126,604,650	\$ 21,544,887	\$ 56,162	

- (a) Total Gross Revenue Taxes reflect: (1) 8% tax on Casino Gross Revenue, (2) 15% tax on Internet gaming gross revenue, (3) 8.5% tax on casino and racetrack sports wagering gross revenue, and (4) 13% tax on casino and racetrack Internet sports wagering gross revenue. Total Gross Revenue Taxes includes the tax impact of eligible promotional gaming credits. Total Gross Revenue Taxes are unaudited and subject to adjustment.
- (b) Casino IAT Obligations reflect 1.25% of casino gross revenue, 2.5% of Internet gross revenue, and 1.25% of sports wagering gross revenue and Internet sports wagering gross revenue.
- (c) Economic Development Tax reflects 1.25% of racetrack licensees' sports wagering gross revenue and Internet sports wagering gross revenue.

As of August 14, 2018

**MONTHLY COMPARISON  
FOR THE MONTH ENDED JULY 2018 VERSUS 2017**

Casino Licensees	CASINO WIN			INTERNET GAMING WIN			SPORTS WAGERING REVENUE (a)			TOTAL GAMING REVENUE		
	2018	2017	% Change	2018	2017	% Change	2018	2017	% Change	2018	2017	% Change
Bally's AC	\$ 20,558,403	\$ 22,826,442	(9.9)	\$ -	\$ -	n/a	17,788	\$ -	n/a	20,576,191	\$ 22,826,442	(9.9)
Borgata	71,124,138	76,340,889	(6.8)	4,931,403	3,785,826	30.3	562,830	-	n/a	76,618,371	80,126,715	(4.4)
Caesars	29,357,728	32,740,178	(10.3)	-	-	n/a	-	-	n/a	29,357,728	32,740,178	(10.3)
Caesars Interactive NJ	-	-	n/a	3,767,078	3,213,194	17.2	-	-	n/a	3,767,078	3,213,194	17.2
Golden Nugget	20,105,343	20,800,487	(3.3)	9,328,814	6,249,752	49.3	-	-	n/a	29,434,157	27,050,239	8.8
Hard Rock (b)	32,386,465	-	n/a	329,650	-	n/a	-	-	n/a	32,716,115	-	n/a
Harrah's	31,435,241	36,613,337	(14.1)	-	-	n/a	-	-	n/a	31,435,241	36,613,337	(14.1)
Ocean Resort (c)	15,810,473	-	n/a	249,805	-	n/a	1,036,766	-	n/a	17,097,044	-	n/a
Resorts	17,845,495	20,445,557	(12.7)	-	-	n/a	-	-	n/a	17,845,495	20,445,557	(12.7)
Resorts Digital	-	-	n/a	3,940,407	3,750,529	5.1	-	-	n/a	3,940,407	3,750,529	5.1
Tropicana	33,698,086	37,500,252	(10.1)	3,350,360	3,586,241	(6.6)	-	-	n/a	37,048,446	41,086,493	(9.8)
<b>Total: Casino Industry</b>	<b>\$ 272,321,372</b>	<b>\$ 247,267,142</b>	<b>10.1</b>	<b>\$ 25,897,517</b>	<b>\$ 20,585,542</b>	<b>25.8</b>	<b>\$ 1,617,384</b>	<b>\$ -</b>	<b>n/a</b>	<b>\$ 299,836,273</b>	<b>\$ 267,852,684</b>	<b>11.9</b>
<b>Racetrack Licensees</b>												
Meadowlands	-	-	n/a	-	-	n/a	1,357,477	-	n/a	1,357,477	-	n/a
Monmouth Park	-	-	n/a	-	-	n/a	856,280	-	n/a	856,280	-	n/a
<b>Grand Total</b>	<b>\$ 272,321,372</b>	<b>\$ 247,267,142</b>	<b>10.1</b>	<b>\$ 25,897,517</b>	<b>\$ 20,585,542</b>	<b>25.8</b>	<b>\$ 3,831,141</b>	<b>\$ -</b>	<b>n/a</b>	<b>\$ 302,050,030</b>	<b>\$ 267,852,684</b>	<b>12.8</b>

(a) Sports Wagering commenced on June 14, 2018.

(b) Hard Rock commenced operations (soft play period on June 25, 2018). Hard Rock opened to the public June 27, 2018. Internet gaming operations commenced on June 28, 2018.

(c) Ocean Resort commenced operations (soft play period on June 25, 2018). Ocean Resort opened to the public June 27, 2018. Internet gaming operations commenced on July 10, 2018.

**YEAR-TO-DATE COMPARISON  
FOR THE YEAR-TO-DATE ENDED JULY 2018 VERSUS 2017**

Casino Licensees	CASINO WIN			INTERNET GAMING WIN			SPORTS WAGERING REVENUE (a)			TOTAL GAMING REVENUE		
	2018	2017	% Change	2018	2017	% Change	2018	2017	% Change	2018	2017	% Change
Bally's AC	\$ 112,134,406	\$ 123,633,395	(9.3)	\$ -	\$ -	n/a	17,788	\$ -	n/a	\$ 112,152,194	\$ 123,633,395	(9.3)
Borgata	415,397,316	441,679,516	(6.0)	30,663,149	27,250,340	12.5	1,549,661	-	n/a	447,610,126	468,929,856	(4.5)
Caesars	166,560,916	195,108,787	(14.6)	-	-	n/a	-	-	n/a	166,560,916	195,108,787	(14.6)
Caesars Interactive NJ	-	-	n/a	25,636,077	24,661,936	3.9	-	-	n/a	25,636,077	24,661,936	3.9
Golden Nugget	133,321,372	126,788,445	5.2	58,272,651	39,247,916	48.5	-	-	n/a	191,594,023	166,036,361	15.4
Hard Rock (b)	36,558,191	-	n/a	335,219	-	n/a	-	-	n/a	36,893,410	-	n/a
Harrah's	201,107,982	212,022,171	(5.1)	-	-	n/a	-	-	n/a	201,107,982	212,022,171	(5.1)
Ocean Resort (c)	18,818,173	-	n/a	249,805	-	n/a	1,229,436	-	n/a	20,297,414	-	n/a
Resorts	105,373,812	110,245,458	(4.4)	-	-	n/a	-	-	n/a	105,373,812	110,245,458	(4.4)
Resorts Digital	-	-	n/a	26,435,432	25,627,535	3.2	-	-	n/a	26,435,432	25,627,535	3.2
Tropicana	200,689,460	207,081,358	(3.1)	23,845,335	25,212,107	(5.4)	-	-	n/a	224,534,795	232,293,465	(3.3)
<b>Total: Casino Industry</b>	<b>\$ 1,389,961,628</b>	<b>\$ 1,416,559,130</b>	<b>(1.9)</b>	<b>\$ 165,437,668</b>	<b>\$ 141,999,834</b>	<b>16.5</b>	<b>\$ 2,796,885</b>	<b>\$ -</b>	<b>n/a</b>	<b>\$ 1,558,196,181</b>	<b>\$ 1,558,558,964</b>	<b>0.0</b>
<b>Racetrack Licensees</b>												
Meadowlands	-	-	n/a	-	-	n/a	1,357,477	-	n/a	1,357,477	-	n/a
Monmouth Park	-	-	n/a	-	-	n/a	3,135,446	-	n/a	3,135,446	-	n/a
<b>Grand Total</b>	<b>\$ 1,389,961,628</b>	<b>\$ 1,416,559,130</b>	<b>(1.9)</b>	<b>\$ 165,437,668</b>	<b>\$ 141,999,834</b>	<b>16.5</b>	<b>\$ 7,289,808</b>	<b>\$ -</b>	<b>n/a</b>	<b>\$ 1,562,689,104</b>	<b>\$ 1,558,558,964</b>	<b>0.3</b>

(a) Sports Wagering commenced on June 14, 2018.

(b) Hard Rock commenced operations (soft play period on June 25, 2018). Hard Rock opened to the public June 27, 2018. Internet gaming operations commenced on June 28, 2018.

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## July 2018 Sports Wagering Statistics

- The following table summarizes the casinos and racetracks that offer Sports Wagering and the dates that operations commenced:

Property	Sports Wagering Lounge/On-Site Opening Date:	Sports Wagering Internet Start Date:
<b>Casino Hotels:</b>		
Ballys AC	July 30, 2018	
Borgata	June 14, 2018	
Ocean Resort	June 28, 2018	
<b>Racetrack:</b>		
Meadowlands	July 14, 2018	
Monmouth Park	June 14, 2018	

- The following tables provide a breakdown of the industry Sports Wagering Gross Revenue and Handle from June 14, 2018 through July 31, 2018 (Year-to-Date):

	YTD Gross Revenue	YTD Handle	YTD Sports Wagering Win Percentage
Completed Events	3,231,568	55,436,058	5.8%
Future Events	1,655,798	1,655,798	N/A
Unredeemed Winning Wagers/Adjustments	2,402,440	N/A	N/A
Total (Gross Revenue matches DGE-107)	7,289,806	57,091,856	N/A

Category	YTD Completed Events Gross Revenue	YTD Completed Events Handle	Win %
Football	30,464	160,187	19.0%
Basketball	2,335	1,051,300	0.2%
Baseball	1,789,251	36,315,006	4.9%
Other	1,409,518	17,909,565	7.9%
Total	3,231,568	55,436,058	5.8%

## New Jersey Sports Wagering Information

### Sports Wagering Gross Revenue

- Sports Wagering Gross Revenue as reported on the DGE-107 (Monthly Sports Wagering Tax Return) reflects the sum of all wagers (“Handle”), less only the payouts on winning wagers. Sports Wagering Gross Revenue includes:
  - Wagers less payouts for events where the outcome has been determined during the current month (“Completed Events”). The gross revenue tax deduction for payouts is limited to redeemed winning wagers. Unredeemed winning wagers (“Unredeemed Winning Wagers”) are not deductible until the month when the winning wager is paid.
  - Wagers on events that take place after the current month (“Future Events”). For example, a wager made in June 2018 on an NFL team to win the Super Bowl is included in Sports Wagering Gross Revenue and taxed in June 2018, while the winning wager payouts will not be deducted from gross revenue until the Super Bowl is held in 2019 and the winning wager is redeemed.
- By law, the tax on Sports Wagering Gross Revenue is on a cash basis in New Jersey. Accordingly, the wagers on Future Events and the Unredeemed Winning Wagers are taxed as current revenue. Individuals evaluating New Jersey Sports Wagering Gross Revenue statistics should be aware that:
  - Sports Wagering Gross Revenue is not revenue under the accrual basis of accounting and is not comparable to the win reported for Nevada casinos.
  - A relevant Sports Wagering Win Percentage in New Jersey cannot be calculated by dividing the total Sports Wagering Gross Revenue as reported on the DGE-107 by total Handle.
  - Sports Wagering Gross Revenue may be volatile on a monthly basis, since (1) the payouts for Future Events such as the Super Bowl could occur months after the original wager was made and (2) Unredeemed Winning Wagers from prior months will become deductible upon redemption in future months.
- To provide context for Sports Wagering Gross Revenue, the Division will provide statistics that converts the gross revenue into an accrual basis revenue amount that can be compared to the statistics reported for Nevada casinos. These statistics will be presented on a year-to-date basis for 2018, which accounts for Future Events from prior months that become Completed Events in the current month.