



Gurbir S. Grewal, *Attorney General*

## **Division of Gaming Enforcement**

David Rebeck, *Director*

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

### **For Immediate Release:**

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**Contact:** Kerry Langan  
(609) 317-6201  
[info@njdge.org](mailto:info@njdge.org)

Beginning with the June 2018 Press Release, Total Gaming Revenue consists of Casino Win, Internet Gaming Win and Sports Wagering Gross Revenue from casino and racetrack licensees. Sports Wagering commenced at Monmouth Park and Borgata on June 14, 2018 and Ocean Resort on June 28, 2018. Hard Rock and Ocean Resort commenced limited soft play on June 25, 2018 and opened to the public on June 27, 2018. Hard Rock commenced Internet gaming operations on June 28, 2018.

### **Industry:**

Based upon filings with the Division of Gaming Enforcement, Total Gaming Revenue for June was \$233.6 million compared to \$217.7 million in June 2017, reflecting a 7.3% increase. Casino Win for June was \$207.5 million increasing 5.1% from the same month last year. Internet Gaming Win was \$22.7 million in June compared to \$20.2 million in the prior period, reflecting an increase of 12.1%. Sports Wagering Gross Revenue, which commenced June 14<sup>th</sup>, was \$3.5 million for the month.

For the year-to-date, the Industry's Total Gaming Revenue was \$1.261 billion for 2018 compared to \$1.291 billion in 2017, reflecting a decrease of 2.3%. Casino Win was \$1.118 billion reflecting a 4.4% decrease over the prior period. Internet Gaming Win increased 14.9% to \$139.5 million for 2018.

### **Tax Information:**

For the month of June 2018, total gaming taxes were \$18.8 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 \$3.2 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 June 2018, the Racetrack Economic Development Tax of 1.25% of racetrack sports wagering gross revenue was \$28,490.

### *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:**

Divisions -- Alcoholic Beverage Control · Civil Rights · Consumer Affairs · Criminal Justice ·  
Gaming Enforcement · Highway Traffic Safety · Law · State Police

## JUNE 2018 STATISTICS

<b>JUNE</b>			Increase (Decrease)	
	2018	2017	\$	%
Slot Machine Win	\$ 153,221,734	\$ 142,968,402	\$ 10,253,332	7.2
Table Game Win	54,274,754	54,520,382	(245,628)	(0.5)
Casino Win	207,496,488	197,488,784	10,007,704	5.1
Peer-to-Peer	1,757,839	1,735,634	22,205	1.3
Other Authorized Games	20,926,255	18,497,765	2,428,490	13.1
Internet Gaming Win	22,684,094	20,233,399	2,450,695	12.1
Sports Wagering Revenue	3,458,668	-	3,458,668	N/A
<b>Total Gaming Revenue</b>	<b>\$ 233,639,250</b>	<b>\$ 217,722,183</b>	<b>\$ 15,917,067</b>	<b>7.3</b>
<b><u>JUNE YEAR-TO-DATE</u></b>				
Slot Machine Win	\$ 805,872,696	\$ 821,716,491	\$ (15,843,795)	(1.9)
Table Game Win	311,767,560	347,575,497	(35,807,937)	(10.3)
Casino Win	1,117,640,256	1,169,291,988	(51,651,732)	(4.4)
Peer-to-Peer	11,138,986	12,585,723	(1,446,737)	(11.5)
Other Authorized Games	128,401,165	108,828,569	19,572,596	18.0
Internet Gaming Win	139,540,151	121,414,292	18,125,859	14.9
Sports Wagering Revenue	3,458,668	-	3,458,668	N/A
<b>Total Gaming Revenue</b>	<b>\$ 1,260,639,075</b>	<b>\$ 1,290,706,280</b>	<b>\$ (30,067,205)</b>	<b>(2.3)</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)	
June 2018	\$ 18,814,775	\$ 3,205,172	\$ 28,490	
YTD June 2018	\$ 103,212,973	\$ 17,500,818	\$ 28,490	

- (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 July 12, 2018

**MONTHLY COMPARISON  
FOR THE MONTH ENDED JUNE 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	\$ 17,514,219	\$ 18,156,634	(3.5)	\$ -	\$ -	n/a	\$ -	\$ -	n/a	17,514,219	\$ 18,156,634	(3.5)
Borgata	60,834,916	59,835,792	1.7	4,030,295	3,887,240	3.7	986,831	-	n/a	65,852,042	63,723,032	3.3
Caesars	24,678,201	24,688,410	0.0	-	-	n/a	-	-	n/a	24,678,201	24,688,410	0.0
Caesars Interactive NJ	-	-	n/a	3,312,332	3,611,618	(8.3)	-	-	n/a	3,312,332	3,611,618	(8.3)
Golden Nugget	20,539,150	18,017,766	14.0	8,369,746	5,576,526	50.1	-	-	n/a	28,908,896	23,594,292	22.5
Hard Rock (b)	4,171,726	-	n/a	5,569	-	n/a	-	-	n/a	4,177,295	-	n/a
Harrah's	29,703,009	31,647,463	(6.1)	-	-	n/a	-	-	n/a	29,703,009	31,647,463	(6.1)
Ocean Resort (c)	3,007,700	-	n/a	-	-	n/a	192,671	-	n/a	3,200,371	-	n/a
Resorts	16,379,648	16,683,557	(1.8)	-	-	n/a	-	-	n/a	16,379,648	16,683,557	(1.8)
Resorts Digital	-	-	n/a	3,357,002	3,678,622	(8.7)	-	-	n/a	3,357,002	3,678,622	(8.7)
Tropicana	30,667,919	28,459,162	7.8	3,609,150	3,479,393	3.7	-	-	n/a	34,277,069	31,938,555	7.3
<b>Total: Casino Industry</b>	<b>\$ 207,496,488</b>	<b>\$ 197,488,784</b>	<b>5.1</b>	<b>\$ 22,684,094</b>	<b>\$ 20,233,399</b>	<b>12.1</b>	<b>\$ 1,179,502</b>	<b>\$ -</b>	<b>n/a</b>	<b>\$ 231,360,084</b>	<b>\$ 217,722,183</b>	<b>6.3</b>
<b>Racetrack Licensees</b>												
Monmouth Park	-	-	n/a	-	-	n/a	2,279,166	-	n/a	2,279,166	-	n/a
<b>Grand Total</b>	<b>\$ 207,496,488</b>	<b>\$ 197,488,784</b>	<b>5.1</b>	<b>\$ 22,684,094</b>	<b>\$ 20,233,399</b>	<b>12.1</b>	<b>\$ 3,458,668</b>	<b>\$ -</b>	<b>n/a</b>	<b>\$ 233,639,250</b>	<b>\$ 217,722,183</b>	<b>7.3</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.

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

**YEAR-TO-DATE COMPARISON  
FOR THE YEAR-TO-DATE ENDED JUNE 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	\$ 91,576,003	\$ 100,806,953	(9.2)	\$ -	\$ -	n/a	\$ -	\$ -	n/a	\$ 91,576,003	\$ 100,806,953	(9.2)
Borgata	344,273,178	365,338,627	(5.8)	25,731,746	23,464,514	9.7	986,831	-	n/a	370,991,755	388,803,141	(4.6)
Caesars	137,203,188	162,368,609	(15.5)	-	-	n/a	-	-	n/a	137,203,188	162,368,609	(15.5)
Caesars Interactive NJ	-	-	n/a	21,868,999	21,448,742	2.0	-	-	n/a	21,868,999	21,448,742	2.0
Golden Nugget	113,216,029	105,987,958	6.8	48,943,837	32,998,164	48.3	-	-	n/a	162,159,866	138,986,122	16.7
Hard Rock (b)	4,171,726	-	n/a	5,569	-	n/a	-	-	n/a	4,177,295	-	n/a
Harrah's	169,672,741	175,408,834	(3.3)	-	-	n/a	-	-	n/a	169,672,741	175,408,834	(3.3)
Ocean Resort (c)	3,007,700	-	n/a	-	-	n/a	192,671	-	n/a	3,200,371	-	n/a
Resorts	87,528,317	89,799,901	(2.5)	-	-	n/a	-	-	n/a	87,528,317	89,799,901	(2.5)
Resorts Digital	-	-	n/a	22,495,025	21,877,006	2.8	-	-	n/a	22,495,025	21,877,006	2.8
Tropicana	166,991,374	169,581,106	(1.5)	20,494,975	21,625,866	(5.2)	-	-	n/a	187,486,349	191,206,972	(1.9)
<b>Total: Casino Industry</b>	<b>\$ 1,117,640,256</b>	<b>\$ 1,169,291,988</b>	<b>(4.4)</b>	<b>\$ 139,540,151</b>	<b>\$ 121,414,292</b>	<b>14.9</b>	<b>\$ 1,179,502</b>	<b>\$ -</b>	<b>n/a</b>	<b>\$ 1,258,359,909</b>	<b>\$ 1,290,706,280</b>	<b>(2.5)</b>
<b>Racetrack Licensees</b>												
Monmouth Park	-	-	n/a	-	-	n/a	2,279,166	-	n/a	2,279,166	-	n/a
<b>Grand Total</b>	<b>\$ 1,117,640,256</b>	<b>\$ 1,169,291,988</b>	<b>(4.4)</b>	<b>\$ 139,540,151</b>	<b>\$ 121,414,292</b>	<b>14.9</b>	<b>\$ 3,458,668</b>	<b>\$ -</b>	<b>n/a</b>	<b>\$ 1,260,639,075</b>	<b>\$ 1,290,706,280</b>	<b>(2.3)</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.

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

## 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 be deductible upon redemption in future months.
- To provide context for the Sports Wagering Gross Revenue Tax Returns, the Division will provide statistics that convert the Sports Wagering Gross Revenue into an accrual basis revenue amount that can be compared to the sports wagering win statistics reported for Nevada casinos.

## June 2018 Sports Wagering Statistics

- Sports Wagering commenced at Borgata and Monmouth Park on June 14, 2018 and Ocean Resort on June 28, 2018. The following table provides a breakdown of the Sports Wagering Gross Revenue and Handle for the three properties on a combined basis:

New Jersey Sports Wagering Statistics  
From June 14 through June 30, 2018

	Gross Revenue	Handle	Sports Wagering Win Percentage
Completed Events	\$1,203,700	\$15,363,847	7.8%
Future Events	1,045,772	1,045,772	N/A
Unredeemed Winning Wagers/Adjustments	<u>1,209,196</u>	N/A	N/A
Total (Gross Revenue matches DGE-107)	<u>\$3,458,668</u>	<u>\$16,409,619</u>	N/A

- Sports Wagering highlights for June 14 through June 30 are as follows:
  - \$1.2 million in gross revenue was reported from Completed Events, which approximates accrual basis revenue that can be compared to the win reported for Nevada casinos.
  - 7.8% of Completed Events Handle was retained by the three properties as Completed Events Gross Revenue. This “Sports Wagering Win Percentage” can be compared to the win percentage reported for Nevada casinos.
  - \$16.4 million in Total Handle was reported.
    - \$15.4 million, or 94%, of Total Handle relates to Completed Events.
      - \$10.1 million, or 66%, of Completed Events Handle relates to MLB Baseball.
      - \$2.2 million, or 14%, of Completed Events Handle relates to Soccer.
    - \$1.0 million, or 6%, of Total Handle relates to Future Events.
      - \$500,247, or 48%, of Future Events Handle relates to Soccer.
      - \$280,611, or 27%, of Future Events Handle relates to NFL Football.
      - \$130,177, or 12%, of Future Events Handle relates to MLB Baseball.