

ILLINOIS GAMING BOARD

Report on Casino Non-Cashable Vouchers, Coupons, and Electronic Promotions

March 30, 2023

State of Illinois

JB Pritzker, Governor

Illinois Gaming Board

Marcus D. Fruchter, Administrator

Charles Schmadeke, Chair

Anthony Garcia, Member

Dionne R. Hayden, Member

Jim Kolar, Member

The Illinois Gaming Board (the “IGB” or “Board”) respectfully submits this Report on Casino Non-Cashable Vouchers, Coupons, and Electronic Promotions to the Illinois General Assembly pursuant to 230 ILCS 10/13 (a-9).

I. Introduction

The 2019 gaming expansion law, Public Act 101-0031, made historic changes to the Illinois gaming market. Among other provisions, the gaming expansion law amended the Illinois Gambling Act, 230 ILCS 10/1, to remove non-cashable vouchers, coupons and electronic promotions (collectively referred to herein as “promotions”) from the calculation of casino adjusted gross receipts (“AGR”), beginning on January 1, 2020, at an amount not to exceed 20% of an operator’s AGR.¹ This is an impactful change to the collection of casino tax revenue because the casino wagering taxes paid to the State of Illinois and local casino host communities are based on the amount of casino operator AGR.²

Public Act 101-0031 also changed the structure and method for calculating casino wagering taxes for all casinos other than the casino authorized to operate in the City of Chicago. This amendment established a bifurcated progressive tax schedule for casino wagering that applies different tax rates to table games and slot machines, capping the maximum tax rate for table games at 20% of annual AGR in excess of \$25,000,000 and capping the maximum rate for slot machines at 50% of annual AGR in excess of \$200,000,000. Prior to this tax rate revision, table games and slot machines were subject to the same schedule of progressive tax rates capped at 50% of annual AGR in excess of \$200,000,000. Under Public Act 101-0031, the new wagering tax structure was set to become effective on the first day that one of the new casinos authorized by the gaming expansion law commenced operations at either a temporary or permanent gaming facility. Public Act 101-0648, enacted into law on June 30, 2020, immediately accelerated the effective date for the new tax structure to July 1, 2020.³

Public Act 101-0031 requires the IGB to issue a report no later than March 31, 2023 regarding the effects on net gaming revenues to the State of removing promotions from the AGR calculation in calendar years 2020, 2021 and 2022 and to make recommendations on potential modifications to the calculation.

¹ The Illinois Gambling Act defines “Gross receipts” as “the total amount of money exchanged for the purchase of chips, tokens, or electronic cards by [casino] patrons,” and “Adjusted gross receipts” as “the gross receipts less winnings paid to wagerers.” 230 ILCS 10/4.

² Casino wagering and admissions taxes are deposited into the State Gaming Fund, which is the primary source of funding for IGB payroll and operations. After allocation to the IGB, unspent monies in the State Gaming Fund are transferred to the Education Assistance Fund, School Infrastructure Fund, Department of Human Services Problem Gambling expenditures, Chicago State University, and for Rebuild Illinois capital projects.

³ Without the tax rate acceleration in Public Act 101-0648, the new casino wagering tax structure would have instead become effective when Hard Rock Casino Rockford commenced operations at its temporary casino facility on November 10, 2021. When Public Act 101-0648 became effective on June 30, 2020, there was no way to know when the first of the newly authorized casinos would open for patron play.

The relevant statutory language for the revised AGR calculation and required IGB report is excerpted below from 230 ILCS 10/13 (a-9):

Beginning on January 1, 2020, the calculation of gross receipts or adjusted gross receipts, for the purposes of this Section, for a riverboat, a casino, or an organization gaming facility shall not include the dollar amount of non-cashable vouchers, coupons, and electronic promotions redeemed by wagerers upon the riverboat, in the casino, or in the organization gaming facility up to and including an amount not to exceed 20% of a riverboat's, a casino's, or an organization gaming facility's adjusted gross receipts.

The Illinois Gaming Board shall submit to the General Assembly a comprehensive report no later than March 31, 2023 detailing, at a minimum, the effect of removing non-cashable vouchers, coupons, and electronic promotions from this calculation on net gaming revenues to the State in calendar years 2020 through 2022, the increase or reduction in wagerers as a result of removing non-cashable vouchers, coupons, and electronic promotions from this calculation, the effect of the tax rates in subsection (a-5) on net gaming revenues to this State, and proposed modifications to the calculation.

In summary, our Report shows a reduction in State casino wagering tax revenue following implementation of the AGR reduction for promotions in calendar years 2020, 2021 and 2022. Similarly, the Report also shows a reduction in State casino wagering tax revenues following the July 1, 2020 implementation of the new wagering tax structure enacted by Public Act 101-0648.

Based on these findings, the IGB suggests the General Assembly consider either eliminating or sunsetting the current AGR deductions for promotions, beginning July 1, 2023 or as soon as practicable thereafter. If the General Assembly adopts this recommendation and eliminates or sunsets the 20% AGR deduction, the IGB further recommends that the General Assembly require the Commission on Government Forecasting and Accountability (“CGFA”) to analyze and report on the effects on State revenues of eliminating that AGR deduction. The IGB also proposes that the General Assembly direct CGFA to undertake an analysis to determine whether to reinstate the higher casino wagering tax structure in effect before Public Acts 101-0031 and 101-0648 lowered the rates effective July 1, 2020.

When reviewing this Report, it is important to note that the IGB is a regulatory and law enforcement agency. Our primary responsibility is to ensure the safety and integrity of Illinois gaming in order to generate revenue for the State and local gaming host communities. The IGB is not a forecasting agency and does not regularly conduct comprehensive fiscal analyses of tax rate changes or make recommendations regarding potential future tax rate modifications.

Finally, it is also important to note that Illinois experienced a consistent, yearly decline in casino admissions and AGR generation each year since 2012, the year video gaming launched following passage of the Video Gaming Act in 2009 – a trend that predated the tax rate changes enacted in 2019. Analyzing that trend and interpreting any potential relationship between casino AGR and the Illinois video gaming market is beyond the scope of this Report. Additionally, Illinois casinos (along with video gaming establishments and retail sports wagering operations) were closed to the public due to COVID-

19 from March 16, 2020 through June 30, 2020 and again intermittently during November 2020 and into January 2021. The pandemic's effect on casino attendance and revenue generation is obvious when reviewing the data in this Report. What is not obvious, however, is how to interpret the pandemic's effect on patron admissions and play in 2021 and 2022. Thus, additional data and research is necessary to understand and address those issues.

II. Casino Admissions

Except for calendar years 2021 and 2022, Illinois casino admissions have consistently declined year-to-year over the past decade. Between 2012 (the commencement of video gaming) and 2019 (the last full calendar year before COVID-19), Illinois casino admissions declined on average by 815,807 per year. Historical casino admission and tax data are on the IGB website [here](#). If we compare calendar year 2022 to the pre-pandemic year of 2019, the decline in admissions is 1.3 million. For purposes of this Report, it is appropriate to extrapolate that the rebound in casino admissions in 2021 and 2022 is at least in part attributable to the widespread availability of COVID-19 vaccinations, easing of pandemic restrictions, and casino re-openings.

The two charts below show the changes in casino admissions for calendar years 2012 through 2022. Note that Hard Rock Casino Rockford began operations on November 10, 2021. The decline in yearly admissions with the addition of the Rockford casino is greater than the average yearly decline in admission over the period 2012 to 2019. This variance could be due in part to residual pandemic effects and the abundance of additional gaming opportunities beginning in 2020 with the expanded video gaming and commencement of retail and online sport wagering authorized under the 2019 gaming expansion law – but we suggest further research and analysis to fully understand any potential correlations.

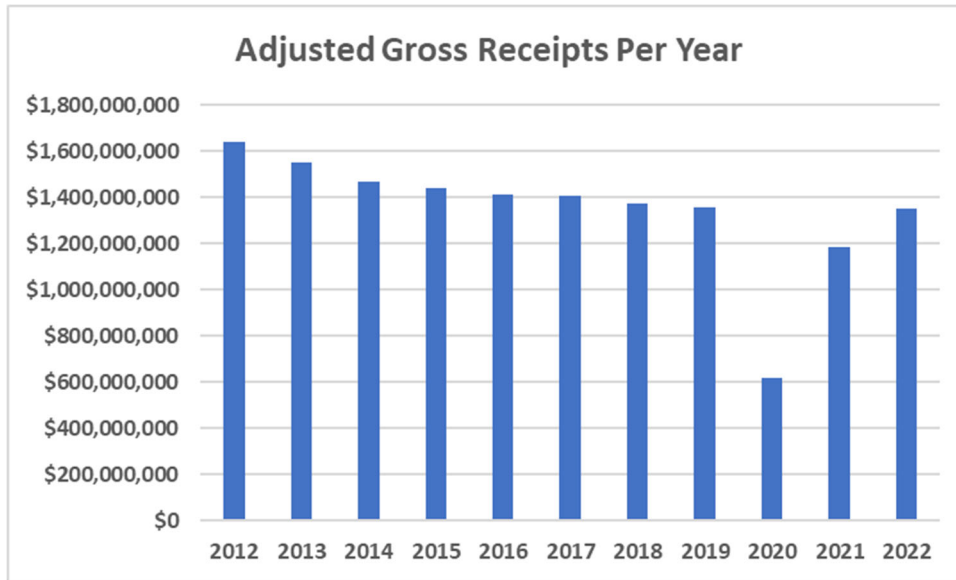
Admissions	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Hard Rock Casino	-	-	-	-	-	-	-	-	-	81,006	463,960
Argosy Casino	876,506	753,296	648,883	575,045	528,391	494,821	486,142	379,381	207,125	381,222	400,577
DraftKings at Casino Queen	1,866,458	1,689,422	1,420,849	1,226,633	1,196,036	1,077,190	945,568	979,303	407,305	668,282	810,147
Harrah's Joliet	1,798,785	1,659,301	1,630,780	1,539,857	1,470,419	1,391,594	1,290,565	1,212,645	494,423	730,419	729,015
Grand Victoria	1,653,907	1,610,241	1,372,095	1,364,745	1,312,129	1,309,498	1,208,469	1,124,121	464,584	822,597	922,236
Hollywood Casino Aurora	1,374,454	1,256,773	1,097,301	1,041,390	1,002,478	991,579	938,382	904,713	382,620	735,405	840,612
Hollywood Casino Joliet	1,346,101	1,237,432	1,097,781	1,094,526	1,063,931	1,064,305	957,117	913,745	389,283	644,353	652,183
Rivers Casino	3,968,668	3,716,598	3,519,071	3,404,225	3,263,830	3,110,413	2,976,503	2,943,762	1,301,000	2,322,198	2,786,917
Par-a-Dice	1,206,307	1,094,140	996,909	968,081	866,185	776,176	740,047	696,537	270,306	447,859	432,334
Harrah's Metropolis	768,443	672,034	661,844	679,668	619,463	532,192	468,841	444,240	250,929	387,704	405,301
Bally's Quad Cities Casino &	1,298,240	1,202,508	1,072,540	1,035,698	1,021,836	949,164	901,438	848,776	292,390	463,490	656,516
TOTAL	16,157,869	14,891,745	13,518,053	12,929,868	12,344,698	11,696,932	10,913,072	10,447,223	4,459,965	7,684,535	9,099,798



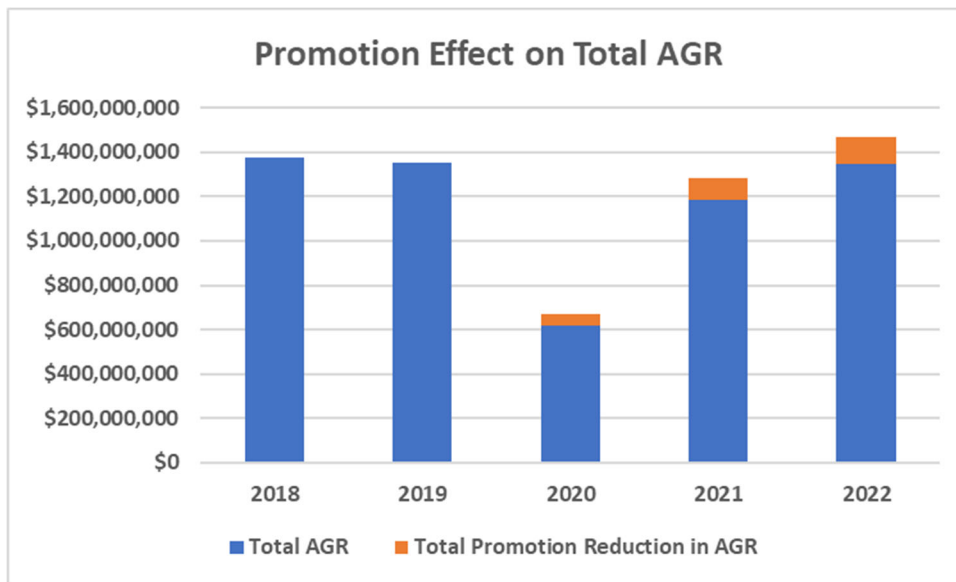
III. Casino Adjusted Gross Receipts

Notwithstanding the steady decline in annual casino admissions since 2012, Illinois casino AGR did not experience a similarly significant slide – except for the COVID years 2020 and 2021 when casinos endured periodic closures, reduced hours of operation and other public health mitigations. The chart below shows total AGR from 2012 to 2022. As the chart illustrates, COVID-19 had a serious effect on AGR in 2020 followed by slight growth in 2021 and further stabilization in 2022.

AGR	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Hard Rock Casino Rockford	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,467,105	\$54,747,268
Argosy Casino Alton	\$70,976,000	\$64,271,282	\$56,539,275	\$54,583,909	\$49,134,341	\$47,974,335	\$46,839,524	\$38,963,711	\$17,286,597	\$31,685,167	\$31,433,958
DraftKings at Casino Queen	\$131,212,000	\$124,576,272	\$110,528,588	\$104,977,622	\$109,243,627	\$102,118,725	\$96,445,166	\$99,514,995	\$39,470,569	\$70,591,376	\$79,537,598
Harrah's Joliet	\$212,106,000	\$202,425,289	\$199,074,466	\$186,005,491	\$183,732,190	\$182,949,525	\$178,108,599	\$171,634,844	\$73,869,628	\$137,464,929	\$135,174,681
Grand Victoria Casino	\$212,433,000	\$194,325,617	\$171,779,533	\$171,501,950	\$163,634,235	\$168,739,351	\$160,753,357	\$156,039,346	\$71,142,332	\$143,262,740	\$154,449,261
Hollywood Casino Aurora	\$151,888,000	\$141,872,165	\$126,876,359	\$121,244,815	\$120,519,150	\$120,952,949	\$116,920,456	\$114,638,510	\$48,700,470	\$95,205,846	\$99,437,928
Hollywood Casino Joliet	\$141,516,000	\$131,302,477	\$122,578,335	\$125,325,182	\$121,263,932	\$123,276,334	\$118,103,575	\$115,598,950	\$47,157,448	\$82,190,822	\$87,084,422
Rivers Casino	\$416,676,000	\$418,910,496	\$425,469,457	\$425,013,283	\$428,443,319	\$433,033,882	\$441,787,540	\$450,460,737	\$230,657,073	\$458,245,717	\$528,738,490
Par-a-Dice	\$116,283,000	\$107,304,579	\$94,035,504	\$90,005,958	\$82,470,475	\$78,872,061	\$76,169,139	\$72,821,280	\$31,207,927	\$60,984,397	\$60,704,160
Harrah's Metropolis	\$97,687,000	\$85,493,213	\$81,800,759	\$83,432,264	\$80,359,867	\$79,499,674	\$71,545,271	\$68,416,978	\$34,406,279	\$57,648,372	\$62,803,541
Bally's Quad Cities Casino & Hotel	\$87,871,000	\$81,557,801	\$76,684,002	\$76,744,392	\$75,630,602	\$70,507,384	\$68,189,434	\$66,315,214	\$24,013,888	\$41,561,853	\$54,551,196
TOTAL	\$1,638,648,000	\$1,552,039,191	\$1,465,366,278	\$1,438,834,866	\$1,414,431,738	\$1,407,924,220	\$1,374,862,061	\$1,354,404,565	\$617,912,211	\$1,187,308,324	\$1,348,662,504



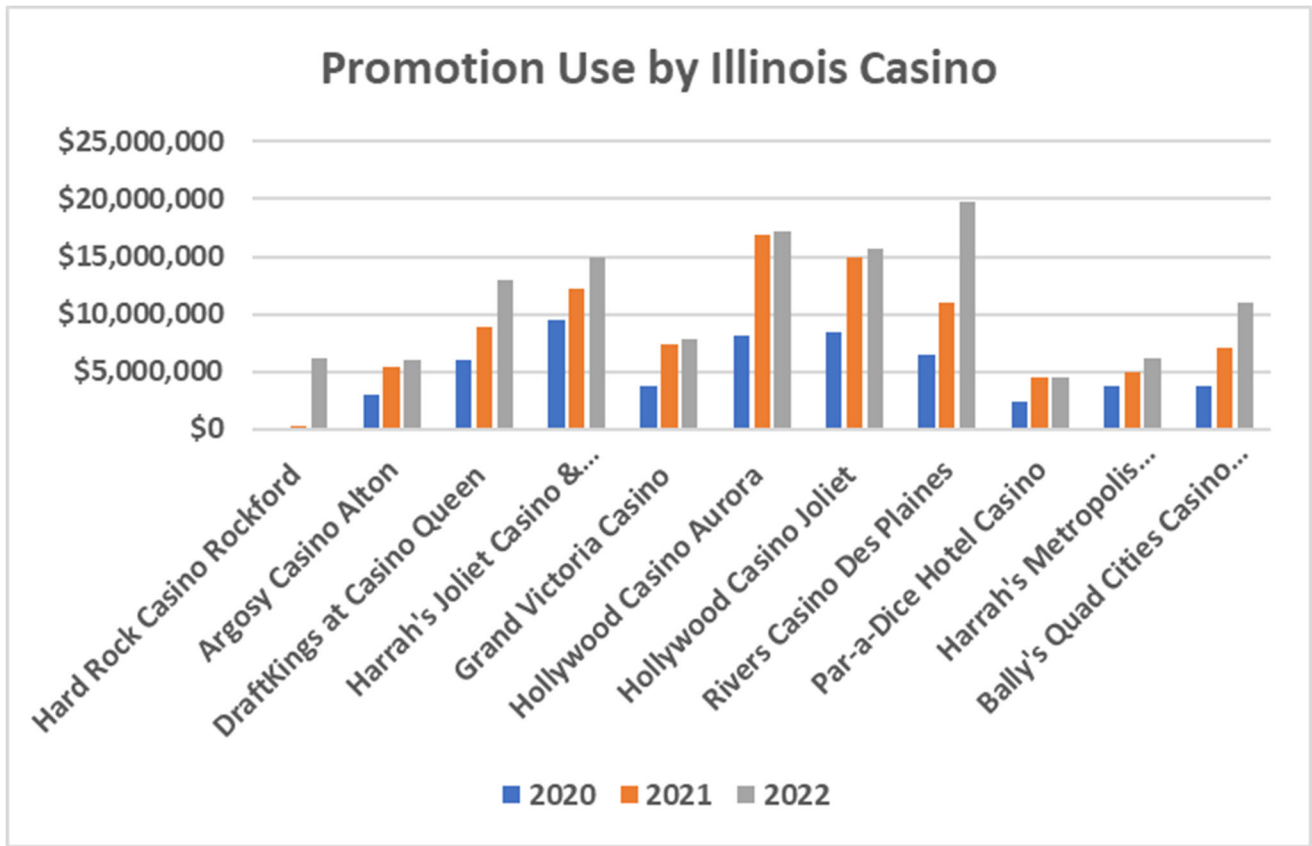
COVID-19 undoubtedly impacted casino operations and AGR generation from 2020 through 2022. However, the use of promotional reductions of up to 20% of AGR per year in 2020 through 2022 also resulted in less AGR. Specifically, if the 20% reduction for promotions in the amount of \$122,104,108 are removed from the 2022 AGR calculation, the \$1,470,766,000 in total AGR would have been the second highest level of casino AGR since 2013. Over the three-year period of calendar years 2020, 2021 and 2022, the 20% promotion reduction lessened Illinois casino AGR by \$270,277,143 – with the highest reduction of \$122,104,108 recorded in 2022.



As the chart below illustrates, the effects of COVID-19 along with the corresponding suspension of gaming and adoption of other public health measures likely limited the use of promotions in 2020. The increased use of promotions in 2021 and 2022 progressed in an analogous manner with other metrics such as casino admissions and AGR.

Promotion AGR Reduction Per Year	2020	2021	2022
Hard Rock Casino Rockford	\$0	\$217,664	\$6,087,558
Argosy Casino Alton	\$3,015,759	\$5,444,589	\$5,980,746
DraftKings at Casino Queen	\$6,010,049	\$8,863,677	\$12,948,811
Harrah's Joliet Casino & Hotel	\$9,432,274	\$12,126,663	\$14,937,502
Grand Victoria Casino	\$3,683,004	\$7,387,965	\$7,789,142
Hollywood Casino Aurora	\$8,093,185	\$16,817,943	\$17,188,285
Hollywood Casino Joliet	\$8,405,617	\$14,858,300	\$15,714,124
Rivers Casino Des Plaines	\$6,418,582	\$11,027,309	\$19,709,404
Par-a-Dice Hotel Casino	\$2,364,163	\$4,481,721	\$4,541,388
Harrah's Metropolis Casino & Hotel	\$3,791,076	\$4,940,090	\$6,184,536
Bally's Quad Cities Casino & Hotel	\$3,686,085	\$7,107,321	\$11,022,612
TOTAL	\$54,899,794	\$93,273,242	\$122,104,108

The charts below show the use of promotions for each Illinois casino for calendar years 2020 thru 2022.



Promotion AGR Reduction For Electronic Gaming Devices and Table Games by Casino							
	1/20-3/20	7/20-12/20 EGD	7/20-12/20 TG	2021 EGD	2021 TG	2022 EGD	2022 TG
Hard Rock Casino Rockford	\$0	\$0	\$0	\$217,664	\$0	\$6,087,558	\$0
Argosy Casino Alton	\$1,502,773	\$1,462,229	\$50,757	\$5,117,166	\$327,423	\$5,547,914	\$432,832
DraftKings at Casino Queen	\$3,163,180	\$2,846,869	\$0	\$8,795,588	\$68,089	\$12,948,811	\$0
Harrah's Joliet Casino & Hotel	\$3,225,710	\$5,880,553	\$326,011	\$11,325,675	\$800,988	\$13,712,117	\$1,225,385
Grand Victoria Casino	\$1,364,082	\$2,318,922	\$0	\$7,387,965	\$0	\$7,789,142	\$0
Hollywood Casino Aurora	\$2,925,205	\$4,812,036	\$355,945	\$15,421,843	\$1,396,100	\$15,266,194	\$1,922,091
Hollywood Casino Joliet	\$3,183,677	\$5,055,761	\$166,179	\$14,010,502	\$847,798	\$14,308,296	\$1,405,828
Rivers Casino Des Plaines	\$4,729,354	\$1,683,103	\$6,125	\$9,310,045	\$1,717,264	\$16,628,063	\$3,081,341
Par-a-Dice Hotel Casino	\$1,183,591	\$1,180,572	\$0	\$4,481,721	\$0	\$4,541,388	\$0
Harrah's Metropolis Casino & Hotel	\$1,262,927	\$2,370,691	\$157,457	\$4,529,583	\$410,507	\$5,495,826	\$688,711
Bally's Quad Cities Casino & Hotel	\$1,802,534	\$1,861,152	\$22,399	\$6,989,529	\$117,792	\$10,804,909	\$217,704
	\$24,343,033	\$29,471,889	\$1,084,872	\$87,587,282	\$5,685,959	\$113,130,216	\$8,973,891

IV. Impact on Payments to Casino Host Communities and State Share of Tax Revenue

Unsurprisingly, reduced AGR and casino admissions results in reduced tax revenue payments to the State of Illinois and local casino host communities. The chart below shows the reduction in the local share of casino admission and wagering tax amounts for calendar years 2020 thru 2022.

	2020 Local Share with Promotions Included in AGR	2020 Actual Local Share	2020 Reduction in Local Share due to Promotions	2021 Local Share with Coupons Included in AGR	2021 Actual Local Share	2021 Reduction in Local Share due to Promotions	2022 Local Share with Promotions Included in AGR	2022 Actual Local Share	2022 Reduction in Local Share due to Promotions
Rockford	\$0	\$0	\$0	\$515,244	\$504,361	\$10,883	\$3,505,701	\$3,201,324	\$304,378
Alton	\$1,222,243	\$1,071,455	\$150,788	\$2,237,710	\$1,965,480	\$272,229	\$2,271,312	\$1,972,275	\$299,037
East Saint Louis	\$2,681,336	\$2,380,833	\$300,502	\$4,639,837	\$4,196,653	\$443,184	\$5,438,391	\$4,790,950	\$647,441
Joliet	\$4,659,518	\$4,187,904	\$471,614	\$8,190,469	\$7,584,136	\$606,333	\$8,234,624	\$7,487,749	\$746,875
Elgin	\$4,205,851	\$4,021,701	\$184,150	\$8,355,261	\$7,985,863	\$369,398	\$9,034,156	\$8,644,699	\$389,457
Aurora	\$3,222,303	\$2,817,644	\$404,659	\$6,335,923	\$5,495,026	\$840,897	\$6,671,923	\$5,812,508	\$859,414
Joliet	\$3,167,436	\$2,747,155	\$420,281	\$5,496,480	\$4,753,565	\$742,915	\$5,792,110	\$5,006,404	\$785,706
Des Plaines	\$13,154,783	\$12,833,854	\$320,929	\$25,775,367	\$25,224,001	\$551,365	\$30,209,312	\$29,223,842	\$985,470
East Peoria	\$1,948,911	\$1,830,702	\$118,208	\$3,725,720	\$3,501,634	\$224,086	\$3,694,608	\$3,467,539	\$227,069
Metropolis	\$2,160,797	\$1,971,243	\$189,554	\$3,516,823	\$3,269,818	\$247,005	\$3,854,705	\$3,545,478	\$309,227
Rock Island	\$1,677,389	\$1,493,085	\$184,304	\$2,896,949	\$2,541,583	\$355,366	\$3,935,206	\$3,384,076	\$551,131
	\$38,100,566	\$35,355,576	\$2,744,990	\$71,685,783	\$67,022,121	\$4,663,662	\$82,642,048	\$76,536,843	\$6,105,205

The chart below shows the corresponding reduction on the State share of casino wagering taxes.

Comparison of Impact of Promotions on State Share of Casino Revenue			
	2020	2021	2022
State Share with Promotion Reduction	\$97,849,447	\$233,783,142	\$272,442,444
State Share with Promotions Eliminated	\$104,322,538	\$255,795,385	\$301,843,098
Reduction in State Revenue	-\$6,473,091	-\$22,012,243	-\$29,400,653

V. Comparison of Wagering Tax Structures

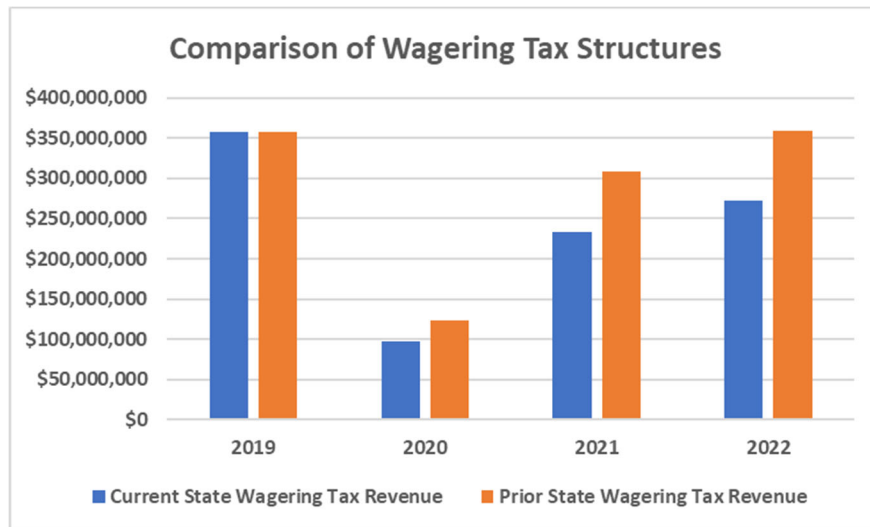
As discussed above, P.A. 101-0648 accelerated the modified, lower wagering tax structure enacted in P.A. 101-0031. This acceleration caused the tax rate changes to become immediately effective on July 1, 2020 instead of upon the opening of the first temporary or permanent casino authorized under the 2019 expansion law.

The new law provides that table games and electronic gaming devices have separate tax structures, which reduces the tax revenue potential under a graduating tax format. Based on our review of a CGFA analysis, we understand that the revenue potential is further limited by the fact that the rates imposed on table games are lower than under prior law. These changes combine to create an effective tax rate that is lower than the previous tax regime, thereby making it more challenging for the State to generate large amounts of “new” tax revenue from existing and newly authorized casinos.

The chart below compares the prior and current casino wagering tax structures.

Adjusted Gross Receipts	Rates Prior to P.A. 101-0031	Modified Gaming Tax on Table Games	Modified Gaming Tax on Electronic Gaming Devices
Up to \$25M	15.0%	15.0%	15.0%
\$25M to \$50M	22.5%	20.0%	22.5%
\$50M to \$75M	27.5%	20.0%	27.5%
\$75M to \$100M	32.5%	20.0%	32.5%
\$100M to \$150M	37.5%	20.0%	37.5%
\$150M to \$200M	45.0%	20.0%	45.0%
Over \$200M	50.0%	20.0%	50.0%

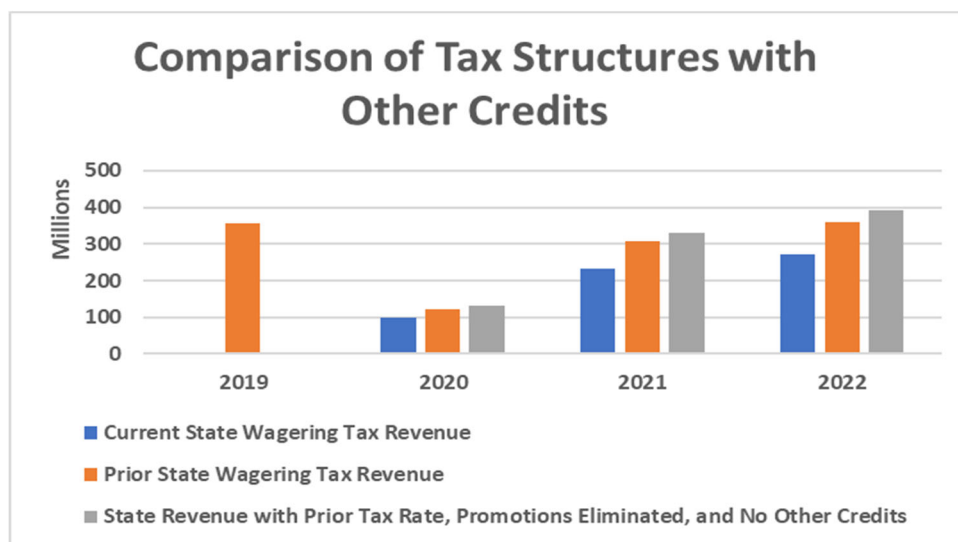
As the chart below illustrates, the change to a bifurcated lower tax structure from 2020 through 2022 resulted in a reduction of state wagering tax revenue in the amount of \$186,938,404 that could have otherwise been realized under the pre-2020 tax rates. In 2022 alone, the reduction totaled \$86,603,248.



VI. Combined Impacts with Other Casino Tax Credits

In addition to the 20% AGR promotion reduction and lower wagering tax structure discussed above, Public Act 101-0031 also either established or expanded several other casino tax credits, including construction credits. When all these tax credits and modifications are factored together, the result is a reduction in State wagering tax revenue of \$251,103,327 over the three-year period 2020 through 2022. For 2022, the reduction in unrealized tax revenue is \$119,801,896, comprised of an \$86 million reduction from the tax rate change, a \$29.4 million reduction from promotions, and construction and other credits in the amount of \$3.7 million.

The chart below illustrates the impacts of the current casino tax rate structures, various credits, and promotions on State wagering tax revenue.



Additional Tax Credits		
Hard Rock Casino Rockford		\$0
Argosy Casino Alton	Construction Credit - 2021	\$253,257
DraftKings at Casino Queen	Modified AGR Credit 2020	\$1,729,727
Harrah's Joliet Casino & Hotel		\$0
Grand Victoria Casino	Construction Credit - 2021	\$497,956
Hollywood Casino Aurora	Construction Credit - 2022	\$1,006,540
Hollywood Casino Joliet	Construction Credit - 2022	\$791,455
Rivers Casino Des Plaines		\$0
Par-a-Dice Hotel Casino	Construction Credit - 2022	\$2,000,000
Harrah's Metropolis Casino & Hotel		\$0
Bally's Quad Cities Casino & Hotel		\$0
Total		\$6,278,936

VII. Local Tax Share Tax Hold Harmless Provision

Public Act 101-0031 also established a tax credit to ensure that host communities with casinos licensed before 2019 would receive a payment to hold those communities harmless for the potential loss of their share of local casino tax revenue from the expanded casino licenses authorized in 2019. Specifically, the “hold harmless” provision guarantees that the incumbent casino host communities would receive payments from the State to ensure they received the same amount of local AGR tax they received in 2018 for two years following the first opening of a newly authorized casino. The November 10, 2021 opening of the Hard Rock Rockford Casino’s temporary facility triggered the State’s obligation to make the “hold harmless” payments to the incumbent casino host communities. The statutory calculation compares the 2022 local share to the 2018 local share, and the IGB remitted the difference to the qualifying host communities in February of 2023.

The chart below shows the more than \$8.3 million in payments made to the eligible host communities.

Hold Harmless Local Share Tax Credit Remitted to Host Communities under P.A. 101-0031	
Alton	\$770,278
East St. Louis	\$841,455
Joliet	\$3,697,654
Elgin	\$315,205
Aurora	\$874,126
Des Plaines	\$0
East Peoria	\$773,249
Metropolis	\$437,086
Rock Island	\$681,912
	\$8,390,966

VIII. Recommendations

Public Act 101-31 requires the IGB to make recommendations on proposed modifications to the existing casino wagering tax calculations and structure.

Accordingly, and based on the findings of this Report, the IGB respectfully recommends that the Illinois General Assembly consider either eliminating or sunseting the current 20% AGR deduction for promotions beginning July 1, 2023 or as soon as practicable thereafter. If the General Assembly adopts this recommendation and eliminates or sunsets the 20% AGR deduction, the IGB further recommends that the General Assembly require CGFA to analyze and report on the effects on State revenues of eliminating that deduction. Finally, we also propose that the General Assembly direct CGFA to undertake an analysis to determine whether to reinstate the higher casino wagering tax structure in effect before Public Acts 101-0031 and 101-0648 lowered the rate effective on July 1, 2020.