



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB2070

Introduced 2/26/2021, by Sen. Cristina Castro

SYNOPSIS AS INTRODUCED:

230 ILCS 10/13 from Ch. 120, par. 2413
230 ILCS 45/25-15
230 ILCS 45/25-90

Amends the Illinois Gambling Act. In provisions concerning an owner licensee's calculation of adjusted gross receipts, provides for monthly and annual reconciliation calculations between promotional costs and total adjusted gross receipts. Amends the Sports Wagering Act. Provides that occupational licenses issued under the Illinois Gambling Act for employees of an owners licensee or organization gaming licensee, once granted, are considered equivalent licenses to work in sports wagering positions located at the same gaming facility. Provides that adjusted gross sports wagering receipts shall not include the dollar amount of certain promotions redeemed by wagerers. Provides for monthly and annual reconciliation calculations between promotional costs and total adjusted gross sports wagering receipts. Requires the Illinois Gaming Board to submit to the General Assembly no later than March 31, 2025 a comprehensive report that includes the effect of removing promotional costs from the calculation for adjusted gross sports wagering receipts and the tax rates imposed on sports wagering.

LRB102 12936 SMS 18279 b

1 AN ACT concerning gaming.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Gambling Act is amended by
5 changing Sections 4, 5, and 13 as follows:

6 (230 ILCS 10/13) (from Ch. 120, par. 2413)

7 Sec. 13. Wagering tax; rate; distribution.

8 (a) Until January 1, 1998, a tax is imposed on the adjusted
9 gross receipts received from gambling games authorized under
10 this Act at the rate of 20%.

11 (a-1) From January 1, 1998 until July 1, 2002, a privilege
12 tax is imposed on persons engaged in the business of
13 conducting riverboat gambling operations, based on the
14 adjusted gross receipts received by a licensed owner from
15 gambling games authorized under this Act at the following
16 rates:

17 15% of annual adjusted gross receipts up to and
18 including \$25,000,000;

19 20% of annual adjusted gross receipts in excess of
20 \$25,000,000 but not exceeding \$50,000,000;

21 25% of annual adjusted gross receipts in excess of
22 \$50,000,000 but not exceeding \$75,000,000;

23 30% of annual adjusted gross receipts in excess of

1 \$75,000,000 but not exceeding \$100,000,000;
2 35% of annual adjusted gross receipts in excess of
3 \$100,000,000.

4 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
5 is imposed on persons engaged in the business of conducting
6 riverboat gambling operations, other than licensed managers
7 conducting riverboat gambling operations on behalf of the
8 State, based on the adjusted gross receipts received by a
9 licensed owner from gambling games authorized under this Act
10 at the following rates:

11 15% of annual adjusted gross receipts up to and
12 including \$25,000,000;

13 22.5% of annual adjusted gross receipts in excess of
14 \$25,000,000 but not exceeding \$50,000,000;

15 27.5% of annual adjusted gross receipts in excess of
16 \$50,000,000 but not exceeding \$75,000,000;

17 32.5% of annual adjusted gross receipts in excess of
18 \$75,000,000 but not exceeding \$100,000,000;

19 37.5% of annual adjusted gross receipts in excess of
20 \$100,000,000 but not exceeding \$150,000,000;

21 45% of annual adjusted gross receipts in excess of
22 \$150,000,000 but not exceeding \$200,000,000;

23 50% of annual adjusted gross receipts in excess of
24 \$200,000,000.

25 (a-3) Beginning July 1, 2003, a privilege tax is imposed
26 on persons engaged in the business of conducting riverboat

1 gambling operations, other than licensed managers conducting
2 riverboat gambling operations on behalf of the State, based on
3 the adjusted gross receipts received by a licensed owner from
4 gambling games authorized under this Act at the following
5 rates:

6 15% of annual adjusted gross receipts up to and
7 including \$25,000,000;

8 27.5% of annual adjusted gross receipts in excess of
9 \$25,000,000 but not exceeding \$37,500,000;

10 32.5% of annual adjusted gross receipts in excess of
11 \$37,500,000 but not exceeding \$50,000,000;

12 37.5% of annual adjusted gross receipts in excess of
13 \$50,000,000 but not exceeding \$75,000,000;

14 45% of annual adjusted gross receipts in excess of
15 \$75,000,000 but not exceeding \$100,000,000;

16 50% of annual adjusted gross receipts in excess of
17 \$100,000,000 but not exceeding \$250,000,000;

18 70% of annual adjusted gross receipts in excess of
19 \$250,000,000.

20 An amount equal to the amount of wagering taxes collected
21 under this subsection (a-3) that are in addition to the amount
22 of wagering taxes that would have been collected if the
23 wagering tax rates under subsection (a-2) were in effect shall
24 be paid into the Common School Fund.

25 The privilege tax imposed under this subsection (a-3)
26 shall no longer be imposed beginning on the earlier of (i) July

1, 2005; (ii) the first date after June 20, 2003 that riverboat gambling operations are conducted pursuant to a dormant license; or (iii) the first day that riverboat gambling operations are conducted under the authority of an owners license that is in addition to the 10 owners licenses initially authorized under this Act. For the purposes of this subsection (a-3), the term "dormant license" means an owners license that is authorized by this Act under which no riverboat gambling operations are being conducted on June 20, 2003.

(a-4) Beginning on the first day on which the tax imposed under subsection (a-3) is no longer imposed and ending upon the imposition of the privilege tax under subsection (a-5) of this Section, a privilege tax is imposed on persons engaged in the business of conducting gambling operations, other than licensed managers conducting riverboat gambling operations on behalf of the State, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross receipts up to and including \$25,000,000;

22.5% of annual adjusted gross receipts in excess of \$25,000,000 but not exceeding \$50,000,000;

27.5% of annual adjusted gross receipts in excess of \$50,000,000 but not exceeding \$75,000,000;

32.5% of annual adjusted gross receipts in excess of

1 \$75,000,000 but not exceeding \$100,000,000;
2 37.5% of annual adjusted gross receipts in excess of
3 \$100,000,000 but not exceeding \$150,000,000;
4 45% of annual adjusted gross receipts in excess of
5 \$150,000,000 but not exceeding \$200,000,000;
6 50% of annual adjusted gross receipts in excess of
7 \$200,000,000.

8 For the imposition of the privilege tax in this subsection
9 (a-4), amounts paid pursuant to item (1) of subsection (b) of
10 Section 56 of the Illinois Horse Racing Act of 1975 shall not
11 be included in the determination of adjusted gross receipts.

12 (a-5)(1) Beginning on July 1, 2020, a privilege tax is
13 imposed on persons engaged in the business of conducting
14 gambling operations, other than the owners licensee under
15 paragraph (1) of subsection (e-5) of Section 7 and licensed
16 managers conducting riverboat gambling operations on behalf of
17 the State, based on the adjusted gross receipts received by
18 such licensee from the gambling games authorized under this
19 Act. The privilege tax for all gambling games other than table
20 games, including, but not limited to, slot machines, video
21 game of chance gambling, and electronic gambling games shall
22 be at the following rates:

23 15% of annual adjusted gross receipts up to and
24 including \$25,000,000;
25 22.5% of annual adjusted gross receipts in excess of
26 \$25,000,000 but not exceeding \$50,000,000;

1 27.5% of annual adjusted gross receipts in excess of
2 \$50,000,000 but not exceeding \$75,000,000;

3 32.5% of annual adjusted gross receipts in excess of
4 \$75,000,000 but not exceeding \$100,000,000;

5 37.5% of annual adjusted gross receipts in excess of
6 \$100,000,000 but not exceeding \$150,000,000;

7 45% of annual adjusted gross receipts in excess of
8 \$150,000,000 but not exceeding \$200,000,000;

9 50% of annual adjusted gross receipts in excess of
10 \$200,000,000.

11 The privilege tax for table games shall be at the
12 following rates:

13 15% of annual adjusted gross receipts up to and
14 including \$25,000,000;

15 20% of annual adjusted gross receipts in excess of
16 \$25,000,000.

17 For the imposition of the privilege tax in this subsection
18 (a-5), amounts paid pursuant to item (1) of subsection (b) of
19 Section 56 of the Illinois Horse Racing Act of 1975 shall not
20 be included in the determination of adjusted gross receipts.

21 (2) Beginning on the first day that an owners licensee
22 under paragraph (1) of subsection (e-5) of Section 7 conducts
23 gambling operations, either in a temporary facility or a
24 permanent facility, a privilege tax is imposed on persons
25 engaged in the business of conducting gambling operations
26 under paragraph (1) of subsection (e-5) of Section 7, other

1 than licensed managers conducting riverboat gambling
2 operations on behalf of the State, based on the adjusted gross
3 receipts received by such licensee from the gambling games
4 authorized under this Act. The privilege tax for all gambling
5 games other than table games, including, but not limited to,
6 slot machines, video game of chance gambling, and electronic
7 gambling games shall be at the following rates:

8 12% of annual adjusted gross receipts up to and
9 including \$25,000,000 to the State and 10.5% of annual
10 adjusted gross receipts up to and including \$25,000,000 to
11 the City of Chicago;

12 16% of annual adjusted gross receipts in excess of
13 \$25,000,000 but not exceeding \$50,000,000 to the State and
14 14% of annual adjusted gross receipts in excess of
15 \$25,000,000 but not exceeding \$50,000,000 to the City of
16 Chicago;

17 20.1% of annual adjusted gross receipts in excess of
18 \$50,000,000 but not exceeding \$75,000,000 to the State and
19 17.4% of annual adjusted gross receipts in excess of
20 \$50,000,000 but not exceeding \$75,000,000 to the City of
21 Chicago;

22 21.4% of annual adjusted gross receipts in excess of
23 \$75,000,000 but not exceeding \$100,000,000 to the State
24 and 18.6% of annual adjusted gross receipts in excess of
25 \$75,000,000 but not exceeding \$100,000,000 to the City of
26 Chicago;

1 22.7% of annual adjusted gross receipts in excess of
2 \$100,000,000 but not exceeding \$150,000,000 to the State
3 and 19.8% of annual adjusted gross receipts in excess of
4 \$100,000,000 but not exceeding \$150,000,000 to the City of
5 Chicago;

6 24.1% of annual adjusted gross receipts in excess of
7 \$150,000,000 but not exceeding \$225,000,000 to the State
8 and 20.9% of annual adjusted gross receipts in excess of
9 \$150,000,000 but not exceeding \$225,000,000 to the City of
10 Chicago;

11 26.8% of annual adjusted gross receipts in excess of
12 \$225,000,000 but not exceeding \$1,000,000,000 to the State
13 and 23.2% of annual adjusted gross receipts in excess of
14 \$225,000,000 but not exceeding \$1,000,000,000 to the City
15 of Chicago;

16 40% of annual adjusted gross receipts in excess of
17 \$1,000,000,000 to the State and 34.7% of annual gross
18 receipts in excess of \$1,000,000,000 to the City of
19 Chicago.

20 The privilege tax for table games shall be at the
21 following rates:

22 8.1% of annual adjusted gross receipts up to and
23 including \$25,000,000 to the State and 6.9% of annual
24 adjusted gross receipts up to and including \$25,000,000 to
25 the City of Chicago;

26 10.7% of annual adjusted gross receipts in excess of

1 \$25,000,000 but not exceeding \$75,000,000 to the State and
2 9.3% of annual adjusted gross receipts in excess of
3 \$25,000,000 but not exceeding \$75,000,000 to the City of
4 Chicago;

5 11.2% of annual adjusted gross receipts in excess of
6 \$75,000,000 but not exceeding \$175,000,000 to the State
7 and 9.8% of annual adjusted gross receipts in excess of
8 \$75,000,000 but not exceeding \$175,000,000 to the City of
9 Chicago;

10 13.5% of annual adjusted gross receipts in excess of
11 \$175,000,000 but not exceeding \$225,000,000 to the State
12 and 11.5% of annual adjusted gross receipts in excess of
13 \$175,000,000 but not exceeding \$225,000,000 to the City of
14 Chicago;

15 15.1% of annual adjusted gross receipts in excess of
16 \$225,000,000 but not exceeding \$275,000,000 to the State
17 and 12.9% of annual adjusted gross receipts in excess of
18 \$225,000,000 but not exceeding \$275,000,000 to the City of
19 Chicago;

20 16.2% of annual adjusted gross receipts in excess of
21 \$275,000,000 but not exceeding \$375,000,000 to the State
22 and 13.8% of annual adjusted gross receipts in excess of
23 \$275,000,000 but not exceeding \$375,000,000 to the City of
24 Chicago;

25 18.9% of annual adjusted gross receipts in excess of
26 \$375,000,000 to the State and 16.1% of annual gross

1 receipts in excess of \$375,000,000 to the City of Chicago.

2 For the imposition of the privilege tax in this subsection
3 (a-5), amounts paid pursuant to item (1) of subsection (b) of
4 Section 56 of the Illinois Horse Racing Act of 1975 shall not
5 be included in the determination of adjusted gross receipts.

6 Notwithstanding the provisions of this subsection (a-5),
7 for the first 10 years that the privilege tax is imposed under
8 this subsection (a-5), the privilege tax shall be imposed on
9 the modified annual adjusted gross receipts of a riverboat or
10 casino conducting gambling operations in the City of East St.
11 Louis, unless:

12 (1) the riverboat or casino fails to employ at least
13 450 people;

14 (2) the riverboat or casino fails to maintain
15 operations in a manner consistent with this Act or is not a
16 viable riverboat or casino subject to the approval of the
17 Board; or

18 (3) the owners licensee is not an entity in which
19 employees participate in an employee stock ownership plan.

20 As used in this subsection (a-5), "modified annual
21 adjusted gross receipts" means:

22 (A) for calendar year 2020, the annual adjusted gross
23 receipts for the current year minus the difference between
24 an amount equal to the average annual adjusted gross
25 receipts from a riverboat or casino conducting gambling
26 operations in the City of East St. Louis for 2014, 2015,

1 2016, 2017, and 2018 and the annual adjusted gross
2 receipts for 2018;

3 (B) for calendar year 2021, the annual adjusted gross
4 receipts for the current year minus the difference between
5 an amount equal to the average annual adjusted gross
6 receipts from a riverboat or casino conducting gambling
7 operations in the City of East St. Louis for 2014, 2015,
8 2016, 2017, and 2018 and the annual adjusted gross
9 receipts for 2019; and

10 (C) for calendar years 2022 through 2029, the annual
11 adjusted gross receipts for the current year minus the
12 difference between an amount equal to the average annual
13 adjusted gross receipts from a riverboat or casino
14 conducting gambling operations in the City of East St.
15 Louis for 3 years preceding the current year and the
16 annual adjusted gross receipts for the immediately
17 preceding year.

18 (a-6) From June 28, 2019 (the effective date of Public Act
19 101-31) until June 30, 2023, an owners licensee that conducted
20 gambling operations prior to January 1, 2011 shall receive a
21 dollar-for-dollar credit against the tax imposed under this
22 Section for any renovation or construction costs paid by the
23 owners licensee, but in no event shall the credit exceed
24 \$2,000,000.

25 Additionally, from June 28, 2019 (the effective date of
26 Public Act 101-31) until December 31, 2022, an owners licensee

1 that (i) is located within 15 miles of the Missouri border, and
2 (ii) has at least 3 riverboats, casinos, or their equivalent
3 within a 45-mile radius, may be authorized to relocate to a new
4 location with the approval of both the unit of local
5 government designated as the home dock and the Board, so long
6 as the new location is within the same unit of local government
7 and no more than 3 miles away from its original location. Such
8 owners licensee shall receive a credit against the tax imposed
9 under this Section equal to 8% of the total project costs, as
10 approved by the Board, for any renovation or construction
11 costs paid by the owners licensee for the construction of the
12 new facility, provided that the new facility is operational by
13 July 1, 2022. In determining whether or not to approve a
14 relocation, the Board must consider the extent to which the
15 relocation will diminish the gaming revenues received by other
16 Illinois gaming facilities.

17 (a-7) Beginning in the initial adjustment year and through
18 the final adjustment year, if the total obligation imposed
19 pursuant to either subsection (a-5) or (a-6) will result in an
20 owners licensee receiving less after-tax adjusted gross
21 receipts than it received in calendar year 2018, then the
22 total amount of privilege taxes that the owners licensee is
23 required to pay for that calendar year shall be reduced to the
24 extent necessary so that the after-tax adjusted gross receipts
25 in that calendar year equals the after-tax adjusted gross
26 receipts in calendar year 2018, but the privilege tax

1 reduction shall not exceed the annual adjustment cap. If
2 pursuant to this subsection (a-7), the total obligation
3 imposed pursuant to either subsection (a-5) or (a-6) shall be
4 reduced, then the owners licensee shall not receive a refund
5 from the State at the end of the subject calendar year but
6 instead shall be able to apply that amount as a credit against
7 any payments it owes to the State in the following calendar
8 year to satisfy its total obligation under either subsection
9 (a-5) or (a-6). The credit for the final adjustment year shall
10 occur in the calendar year following the final adjustment
11 year.

12 If an owners licensee that conducted gambling operations
13 prior to January 1, 2019 expands its riverboat or casino,
14 including, but not limited to, with respect to its gaming
15 floor, additional non-gaming amenities such as restaurants,
16 bars, and hotels and other additional facilities, and incurs
17 construction and other costs related to such expansion from
18 June 28, 2019 (the effective date of Public Act 101-31) until
19 June 28, 2024 (the 5th anniversary of the effective date of
20 Public Act 101-31), then for each \$15,000,000 spent for any
21 such construction or other costs related to expansion paid by
22 the owners licensee, the final adjustment year shall be
23 extended by one year and the annual adjustment cap shall
24 increase by 0.2% of adjusted gross receipts during each
25 calendar year until and including the final adjustment year.
26 No further modifications to the final adjustment year or

1 annual adjustment cap shall be made after \$75,000,000 is
2 incurred in construction or other costs related to expansion
3 so that the final adjustment year shall not extend beyond the
4 9th calendar year after the initial adjustment year, not
5 including the initial adjustment year, and the annual
6 adjustment cap shall not exceed 4% of adjusted gross receipts
7 in a particular calendar year. Construction and other costs
8 related to expansion shall include all project related costs,
9 including, but not limited to, all hard and soft costs,
10 financing costs, on or off-site ground, road or utility work,
11 cost of gaming equipment and all other personal property,
12 initial fees assessed for each incremental gaming position,
13 and the cost of incremental land acquired for such expansion.
14 Soft costs shall include, but not be limited to, legal fees,
15 architect, engineering and design costs, other consultant
16 costs, insurance cost, permitting costs, and pre-opening costs
17 related to the expansion, including, but not limited to, any
18 of the following: marketing, real estate taxes, personnel,
19 training, travel and out-of-pocket expenses, supply,
20 inventory, and other costs, and any other project related soft
21 costs.

22 To be eligible for the tax credits in subsection (a-6),
23 all construction contracts shall include a requirement that
24 the contractor enter into a project labor agreement with the
25 building and construction trades council with geographic
26 jurisdiction of the location of the proposed gaming facility.

1 Notwithstanding any other provision of this subsection
2 (a-7), this subsection (a-7) does not apply to an owners
3 licensee unless such owners licensee spends at least
4 \$15,000,000 on construction and other costs related to its
5 expansion, excluding the initial fees assessed for each
6 incremental gaming position.

7 This subsection (a-7) does not apply to owners licensees
8 authorized pursuant to subsection (e-5) of Section 7 of this
9 Act.

10 For purposes of this subsection (a-7):

11 "Building and construction trades council" means any
12 organization representing multiple construction entities that
13 are monitoring or attentive to compliance with public or
14 workers' safety laws, wage and hour requirements, or other
15 statutory requirements or that are making or maintaining
16 collective bargaining agreements.

17 "Initial adjustment year" means the year commencing on
18 January 1 of the calendar year immediately following the
19 earlier of the following:

20 (1) the commencement of gambling operations, either in
21 a temporary or permanent facility, with respect to the
22 owners license authorized under paragraph (1) of
23 subsection (e-5) of Section 7 of this Act; or

24 (2) June 28, 2021 (24 months after the effective date
25 of Public Act 101-31);

26 provided the initial adjustment year shall not commence

1 earlier than June 28, 2020 (12 months after the effective date
2 of Public Act 101-31).

3 "Final adjustment year" means the 2nd calendar year after
4 the initial adjustment year, not including the initial
5 adjustment year, and as may be extended further as described
6 in this subsection (a-7).

7 "Annual adjustment cap" means 3% of adjusted gross
8 receipts in a particular calendar year, and as may be
9 increased further as otherwise described in this subsection
10 (a-7).

11 (a-8) Riverboat gambling operations conducted by a
12 licensed manager on behalf of the State are not subject to the
13 tax imposed under this Section.

14 (a-9) Beginning on January 1, 2020, the calculation of
15 gross receipts or adjusted gross receipts, for the purposes of
16 this Section, for a riverboat, a casino, or an organization
17 gaming facility shall not include the dollar amount of
18 non-cashable vouchers, coupons, and electronic promotions
19 redeemed by wagerers upon the riverboat, in the casino, or in
20 the organization gaming facility up to and including an amount
21 not to exceed 20% of a riverboat's, a casino's, or an
22 organization gaming facility's adjusted gross receipts. At the
23 end of each month there shall be a reconciliation calculation
24 dividing the total daily promotional costs by the total daily
25 adjusted gross receipts to determine any adjustment to the
26 daily credits not to exceed 20% of the monthly adjusted gross

1 receipts for each riverboat, casino, or organization gaming
2 facility. Additionally, at the end of each calendar year there
3 shall be a reconciliation calculation dividing the total
4 annual promotional costs by the total annual adjusted gross
5 receipts to determine any adjustment to the credits not to
6 exceed 20% of the annual adjusted gross receipts for each
7 riverboat, casino, or organization gaming facility. Any
8 additional credits due shall be deducted from the next tax
9 payments until all credits have been taken.

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

20 (a-10) The taxes imposed by this Section shall be paid by
21 the licensed owner or the organization gaming licensee to the
22 Board not later than 5:00 o'clock p.m. of the day after the day
23 when the wagers were made.

24 (a-15) If the privilege tax imposed under subsection (a-3)
25 is no longer imposed pursuant to item (i) of the last paragraph
26 of subsection (a-3), then by June 15 of each year, each owners

1 licensee, other than an owners licensee that admitted
2 1,000,000 persons or fewer in calendar year 2004, must, in
3 addition to the payment of all amounts otherwise due under
4 this Section, pay to the Board a reconciliation payment in the
5 amount, if any, by which the licensed owner's base amount
6 exceeds the amount of net privilege tax paid by the licensed
7 owner to the Board in the then current State fiscal year. A
8 licensed owner's net privilege tax obligation due for the
9 balance of the State fiscal year shall be reduced up to the
10 total of the amount paid by the licensed owner in its June 15
11 reconciliation payment. The obligation imposed by this
12 subsection (a-15) is binding on any person, firm, corporation,
13 or other entity that acquires an ownership interest in any
14 such owners license. The obligation imposed under this
15 subsection (a-15) terminates on the earliest of: (i) July 1,
16 2007, (ii) the first day after the effective date of this
17 amendatory Act of the 94th General Assembly that riverboat
18 gambling operations are conducted pursuant to a dormant
19 license, (iii) the first day that riverboat gambling
20 operations are conducted under the authority of an owners
21 license that is in addition to the 10 owners licenses
22 initially authorized under this Act, or (iv) the first day
23 that a licensee under the Illinois Horse Racing Act of 1975
24 conducts gaming operations with slot machines or other
25 electronic gaming devices. The Board must reduce the
26 obligation imposed under this subsection (a-15) by an amount

1 the Board deems reasonable for any of the following reasons:

2 (A) an act or acts of God, (B) an act of bioterrorism or
3 terrorism or a bioterrorism or terrorism threat that was
4 investigated by a law enforcement agency, or (C) a condition
5 beyond the control of the owners licensee that does not result
6 from any act or omission by the owners licensee or any of its
7 agents and that poses a hazardous threat to the health and
8 safety of patrons. If an owners licensee pays an amount in
9 excess of its liability under this Section, the Board shall
10 apply the overpayment to future payments required under this
11 Section.

12 For purposes of this subsection (a-15):

13 "Act of God" means an incident caused by the operation of
14 an extraordinary force that cannot be foreseen, that cannot be
15 avoided by the exercise of due care, and for which no person
16 can be held liable.

17 "Base amount" means the following:

18 For a riverboat in Alton, \$31,000,000.

19 For a riverboat in East Peoria, \$43,000,000.

20 For the Empress riverboat in Joliet, \$86,000,000.

21 For a riverboat in Metropolis, \$45,000,000.

22 For the Harrah's riverboat in Joliet, \$114,000,000.

23 For a riverboat in Aurora, \$86,000,000.

24 For a riverboat in East St. Louis, \$48,500,000.

25 For a riverboat in Elgin, \$198,000,000.

26 "Dormant license" has the meaning ascribed to it in

1 subsection (a-3).

2 "Net privilege tax" means all privilege taxes paid by a
3 licensed owner to the Board under this Section, less all
4 payments made from the State Gaming Fund pursuant to
5 subsection (b) of this Section.

6 The changes made to this subsection (a-15) by Public Act
7 94-839 are intended to restate and clarify the intent of
8 Public Act 94-673 with respect to the amount of the payments
9 required to be made under this subsection by an owners
10 licensee to the Board.

11 (b) From the tax revenue from riverboat or casino gambling
12 deposited in the State Gaming Fund under this Section, an
13 amount equal to 5% of adjusted gross receipts generated by a
14 riverboat or a casino, other than a riverboat or casino
15 designated in paragraph (1), (3), or (4) of subsection (e-5)
16 of Section 7, shall be paid monthly, subject to appropriation
17 by the General Assembly, to the unit of local government in
18 which the casino is located or that is designated as the home
19 dock of the riverboat. Notwithstanding anything to the
20 contrary, beginning on the first day that an owners licensee
21 under paragraph (1), (2), (3), (4), (5), or (6) of subsection
22 (e-5) of Section 7 conducts gambling operations, either in a
23 temporary facility or a permanent facility, and for 2 years
24 thereafter, a unit of local government designated as the home
25 dock of a riverboat whose license was issued before January 1,
26 2019, other than a riverboat conducting gambling operations in

1 the City of East St. Louis, shall not receive less under this
2 subsection (b) than the amount the unit of local government
3 received under this subsection (b) in calendar year 2018.
4 Notwithstanding anything to the contrary and because the City
5 of East St. Louis is a financially distressed city, beginning
6 on the first day that an owners licensee under paragraph (1),
7 (2), (3), (4), (5), or (6) of subsection (e-5) of Section 7
8 conducts gambling operations, either in a temporary facility
9 or a permanent facility, and for 10 years thereafter, a unit of
10 local government designated as the home dock of a riverboat
11 conducting gambling operations in the City of East St. Louis
12 shall not receive less under this subsection (b) than the
13 amount the unit of local government received under this
14 subsection (b) in calendar year 2018.

15 From the tax revenue deposited in the State Gaming Fund
16 pursuant to riverboat or casino gambling operations conducted
17 by a licensed manager on behalf of the State, an amount equal
18 to 5% of adjusted gross receipts generated pursuant to those
19 riverboat or casino gambling operations shall be paid monthly,
20 subject to appropriation by the General Assembly, to the unit
21 of local government that is designated as the home dock of the
22 riverboat upon which those riverboat gambling operations are
23 conducted or in which the casino is located.

24 From the tax revenue from riverboat or casino gambling
25 deposited in the State Gaming Fund under this Section, an
26 amount equal to 5% of the adjusted gross receipts generated by

1 a riverboat designated in paragraph (3) of subsection (e-5) of
2 Section 7 shall be divided and remitted monthly, subject to
3 appropriation, as follows: 70% to Waukegan, 10% to Park City,
4 15% to North Chicago, and 5% to Lake County.

5 From the tax revenue from riverboat or casino gambling
6 deposited in the State Gaming Fund under this Section, an
7 amount equal to 5% of the adjusted gross receipts generated by
8 a riverboat designated in paragraph (4) of subsection (e-5) of
9 Section 7 shall be remitted monthly, subject to appropriation,
10 as follows: 70% to the City of Rockford, 5% to the City of
11 Loves Park, 5% to the Village of Machesney, and 20% to
12 Winnebago County.

13 From the tax revenue from riverboat or casino gambling
14 deposited in the State Gaming Fund under this Section, an
15 amount equal to 5% of the adjusted gross receipts generated by
16 a riverboat designated in paragraph (5) of subsection (e-5) of
17 Section 7 shall be remitted monthly, subject to appropriation,
18 as follows: 2% to the unit of local government in which the
19 riverboat or casino is located, and 3% shall be distributed:
20 (A) in accordance with a regional capital development plan
21 entered into by the following communities: Village of Beecher,
22 City of Blue Island, Village of Burnham, City of Calumet City,
23 Village of Calumet Park, City of Chicago Heights, City of
24 Country Club Hills, Village of Crestwood, Village of Crete,
25 Village of Dixmoor, Village of Dolton, Village of East Hazel
26 Crest, Village of Flossmoor, Village of Ford Heights, Village

1 of Glenwood, City of Harvey, Village of Hazel Crest, Village
2 of Homewood, Village of Lansing, Village of Lynwood, City of
3 Markham, Village of Matteson, Village of Midlothian, Village
4 of Monee, City of Oak Forest, Village of Olympia Fields,
5 Village of Orland Hills, Village of Orland Park, City of Palos
6 Heights, Village of Park Forest, Village of Phoenix, Village
7 of Posen, Village of Richton Park, Village of Riverdale,
8 Village of Robbins, Village of Sauk Village, Village of South
9 Chicago Heights, Village of South Holland, Village of Steger,
10 Village of Thornton, Village of Tinley Park, Village of
11 University Park and Village of Worth; or (B) if no regional
12 capital development plan exists, equally among the communities
13 listed in item (A) to be used for capital expenditures or
14 public pension payments, or both.

15 Units of local government may refund any portion of the
16 payment that they receive pursuant to this subsection (b) to
17 the riverboat or casino.

18 (b-4) Beginning on the first day the licensee under
19 paragraph (5) of subsection (e-5) of Section 7 conducts
20 gambling operations, either in a temporary facility or a
21 permanent facility, and ending on July 31, 2042, from the tax
22 revenue deposited in the State Gaming Fund under this Section,
23 \$5,000,000 shall be paid annually, subject to appropriation,
24 to the host municipality of that owners licensee of a license
25 issued or re-issued pursuant to Section 7.1 of this Act before
26 January 1, 2012. Payments received by the host municipality

1 pursuant to this subsection (b-4) may not be shared with any
2 other unit of local government.

3 (b-5) Beginning on June 28, 2019 (the effective date of
4 Public Act 101-31), from the tax revenue deposited in the
5 State Gaming Fund under this Section, an amount equal to 3% of
6 adjusted gross receipts generated by each organization gaming
7 facility located outside Madison County shall be paid monthly,
8 subject to appropriation by the General Assembly, to a
9 municipality other than the Village of Stickney in which each
10 organization gaming facility is located or, if the
11 organization gaming facility is not located within a
12 municipality, to the county in which the organization gaming
13 facility is located, except as otherwise provided in this
14 Section. From the tax revenue deposited in the State Gaming
15 Fund under this Section, an amount equal to 3% of adjusted
16 gross receipts generated by an organization gaming facility
17 located in the Village of Stickney shall be paid monthly,
18 subject to appropriation by the General Assembly, as follows:
19 25% to the Village of Stickney, 5% to the City of Berwyn, 50%
20 to the Town of Cicero, and 20% to the Stickney Public Health
21 District.

22 From the tax revenue deposited in the State Gaming Fund
23 under this Section, an amount equal to 5% of adjusted gross
24 receipts generated by an organization gaming facility located
25 in the City of Collinsville shall be paid monthly, subject to
26 appropriation by the General Assembly, as follows: 30% to the

1 City of Alton, 30% to the City of East St. Louis, and 40% to
2 the City of Collinsville.

3 Municipalities and counties may refund any portion of the
4 payment that they receive pursuant to this subsection (b-5) to
5 the organization gaming facility.

6 (b-6) Beginning on June 28, 2019 (the effective date of
7 Public Act 101-31), from the tax revenue deposited in the
8 State Gaming Fund under this Section, an amount equal to 2% of
9 adjusted gross receipts generated by an organization gaming
10 facility located outside Madison County shall be paid monthly,
11 subject to appropriation by the General Assembly, to the
12 county in which the organization gaming facility is located
13 for the purposes of its criminal justice system or health care
14 system.

15 Counties may refund any portion of the payment that they
16 receive pursuant to this subsection (b-6) to the organization
17 gaming facility.

18 (b-7) From the tax revenue from the organization gaming
19 licensee located in one of the following townships of Cook
20 County: Bloom, Bremen, Calumet, Orland, Rich, Thornton, or
21 Worth, an amount equal to 5% of the adjusted gross receipts
22 generated by that organization gaming licensee shall be
23 remitted monthly, subject to appropriation, as follows: 2% to
24 the unit of local government in which the organization gaming
25 licensee is located, and 3% shall be distributed: (A) in
26 accordance with a regional capital development plan entered

1 into by the following communities: Village of Beecher, City of
2 Blue Island, Village of Burnham, City of Calumet City, Village
3 of Calumet Park, City of Chicago Heights, City of Country Club
4 Hills, Village of Crestwood, Village of Crete, Village of
5 Dixmoor, Village of Dolton, Village of East Hazel Crest,
6 Village of Flossmoor, Village of Ford Heights, Village of
7 Glenwood, City of Harvey, Village of Hazel Crest, Village of
8 Homewood, Village of Lansing, Village of Lynwood, City of
9 Markham, Village of Matteson, Village of Midlothian, Village
10 of Monee, City of Oak Forest, Village of Olympia Fields,
11 Village of Orland Hills, Village of Orland Park, City of Palos
12 Heights, Village of Park Forest, Village of Phoenix, Village
13 of Posen, Village of Richton Park, Village of Riverdale,
14 Village of Robbins, Village of Sauk Village, Village of South
15 Chicago Heights, Village of South Holland, Village of Steger,
16 Village of Thornton, Village of Tinley Park, Village of
17 University Park, and Village of Worth; or (B) if no regional
18 capital development plan exists, equally among the communities
19 listed in item (A) to be used for capital expenditures or
20 public pension payments, or both.

21 (b-8) In lieu of the payments under subsection (b) of this
22 Section, from the tax revenue deposited in the State Gaming
23 Fund pursuant to riverboat or casino gambling operations
24 conducted by an owners licensee under paragraph (1) of
25 subsection (e-5) of Section 7, an amount equal to the tax
26 revenue generated from the privilege tax imposed by paragraph

1 (2) of subsection (a-5) that is to be paid to the City of
2 Chicago shall be paid monthly, subject to appropriation by the
3 General Assembly, as follows: (1) an amount equal to 0.5% of
4 the annual adjusted gross receipts generated by the owners
5 licensee under paragraph (1) of subsection (e-5) of Section 7
6 to the home rule county in which the owners licensee is located
7 for the purpose of enhancing the county's criminal justice
8 system; and (2) the balance to the City of Chicago and shall be
9 expended or obligated by the City of Chicago for pension
10 payments in accordance with Public Act 99-506.

11 (c) Appropriations, as approved by the General Assembly,
12 may be made from the State Gaming Fund to the Board (i) for the
13 administration and enforcement of this Act and the Video
14 Gaming Act, (ii) for distribution to the Department of State
15 Police and to the Department of Revenue for the enforcement of
16 this Act and the Video Gaming Act, and (iii) to the Department
17 of Human Services for the administration of programs to treat
18 problem gambling, including problem gambling from sports
19 wagering. The Board's annual appropriations request must
20 separately state its funding needs for the regulation of
21 gaming authorized under Section 7.7, riverboat gaming, casino
22 gaming, video gaming, and sports wagering.

23 (c-2) An amount equal to 2% of the adjusted gross receipts
24 generated by an organization gaming facility located within a
25 home rule county with a population of over 3,000,000
26 inhabitants shall be paid, subject to appropriation from the

1 General Assembly, from the State Gaming Fund to the home rule
2 county in which the organization gaming licensee is located
3 for the purpose of enhancing the county's criminal justice
4 system.

5 (c-3) Appropriations, as approved by the General Assembly,
6 may be made from the tax revenue deposited into the State
7 Gaming Fund from organization gaming licensees pursuant to
8 this Section for the administration and enforcement of this
9 Act.

10 (c-4) After payments required under subsections (b),
11 (b-5), (b-6), (b-7), (c), (c-2), and (c-3) have been made from
12 the tax revenue from organization gaming licensees deposited
13 into the State Gaming Fund under this Section, all remaining
14 amounts from organization gaming licensees shall be
15 transferred into the Capital Projects Fund.

16 (c-5) (Blank).

17 (c-10) Each year the General Assembly shall appropriate
18 from the General Revenue Fund to the Education Assistance Fund
19 an amount equal to the amount paid into the Horse Racing Equity
20 Fund pursuant to subsection (c-5) in the prior calendar year.

21 (c-15) After the payments required under subsections (b),
22 (c), and (c-5) have been made, an amount equal to 2% of the
23 adjusted gross receipts of (1) an owners licensee that
24 relocates pursuant to Section 11.2, (2) an owners licensee
25 conducting riverboat gambling operations pursuant to an owners
26 license that is initially issued after June 25, 1999, or (3)

1 the first riverboat gambling operations conducted by a
2 licensed manager on behalf of the State under Section 7.3,
3 whichever comes first, shall be paid, subject to appropriation
4 from the General Assembly, from the State Gaming Fund to each
5 home rule county with a population of over 3,000,000
6 inhabitants for the purpose of enhancing the county's criminal
7 justice system.

8 (c-20) Each year the General Assembly shall appropriate
9 from the General Revenue Fund to the Education Assistance Fund
10 an amount equal to the amount paid to each home rule county
11 with a population of over 3,000,000 inhabitants pursuant to
12 subsection (c-15) in the prior calendar year.

13 (c-21) After the payments required under subsections (b),
14 (b-4), (b-5), (b-6), (b-7), (b-8), (c), (c-3), and (c-4) have
15 been made, an amount equal to 0.5% of the adjusted gross
16 receipts generated by the owners licensee under paragraph (1)
17 of subsection (e-5) of Section 7 shall be paid monthly,
18 subject to appropriation from the General Assembly, from the
19 State Gaming Fund to the home rule county in which the owners
20 licensee is located for the purpose of enhancing the county's
21 criminal justice system.

22 (c-22) After the payments required under subsections (b),
23 (b-4), (b-5), (b-6), (b-7), (b-8), (c), (c-3), (c-4), and
24 (c-21) have been made, an amount equal to 2% of the adjusted
25 gross receipts generated by the owners licensee under
26 paragraph (5) of subsection (e-5) of Section 7 shall be paid,

1 subject to appropriation from the General Assembly, from the
2 State Gaming Fund to the home rule county in which the owners
3 licensee is located for the purpose of enhancing the county's
4 criminal justice system.

5 (c-25) From July 1, 2013 and each July 1 thereafter
6 through July 1, 2019, \$1,600,000 shall be transferred from the
7 State Gaming Fund to the Chicago State University Education
8 Improvement Fund.

9 On July 1, 2020 and each July 1 thereafter, \$3,000,000
10 shall be transferred from the State Gaming Fund to the Chicago
11 State University Education Improvement Fund.

12 (c-30) On July 1, 2013 or as soon as possible thereafter,
13 \$92,000,000 shall be transferred from the State Gaming Fund to
14 the School Infrastructure Fund and \$23,000,000 shall be
15 transferred from the State Gaming Fund to the Horse Racing
16 Equity Fund.

17 (c-35) Beginning on July 1, 2013, in addition to any
18 amount transferred under subsection (c-30) of this Section,
19 \$5,530,000 shall be transferred monthly from the State Gaming
20 Fund to the School Infrastructure Fund.

21 (d) From time to time, the Board shall transfer the
22 remainder of the funds generated by this Act into the
23 Education Assistance Fund, created by Public Act 86-0018, of
24 the State of Illinois.

25 (e) Nothing in this Act shall prohibit the unit of local
26 government designated as the home dock of the riverboat from

1 entering into agreements with other units of local government
2 in this State or in other states to share its portion of the
3 tax revenue.

4 (f) To the extent practicable, the Board shall administer
5 and collect the wagering taxes imposed by this Section in a
6 manner consistent with the provisions of Sections 4, 5, 5a,
7 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of
8 the Retailers' Occupation Tax Act and Section 3-7 of the
9 Uniform Penalty and Interest Act.

10 (Source: P.A. 101-31, Article 25, Section 25-910, eff.
11 6-28-19; 101-31, Article 35, Section 35-55, eff. 6-28-19;
12 101-648, eff. 6-30-20.)

13 Section 10. The Sports Wagering Act is amended by changing
14 Sections 25-15 and 25-90 as follows:

15 (230 ILCS 45/25-15)

16 Sec. 25-15. Board duties and powers.

17 (a) Except for sports wagering conducted under Section
18 25-70, the Board shall have the authority to regulate the
19 conduct of sports wagering under this Act.

20 (b) The Board may adopt any rules the Board considers
21 necessary for the successful implementation, administration,
22 and enforcement of this Act, except for Section 25-70. Rules
23 proposed by the Board may be adopted as emergency rules
24 pursuant to Section 5-45 of the Illinois Administrative

1 Procedure Act.

2 (c) The Board shall levy and collect all fees, surcharges,
3 civil penalties, and monthly taxes on adjusted gross sports
4 wagering receipts imposed by this Act and deposit all moneys
5 into the Sports Wagering Fund, except as otherwise provided
6 under this Act.

7 (d) The Board may exercise any other powers necessary to
8 enforce the provisions of this Act that it regulates and the
9 rules of the Board.

10 (e) The Board shall adopt rules for a license to be
11 employed by a master sports wagering licensee when the
12 employee works in a designated gaming area that has sports
13 wagering or performs duties in furtherance of or associated
14 with the operation of sports wagering by the master sports
15 wagering licensee (occupational license), which shall require
16 an annual license fee of \$250. However, occupational licenses
17 issued under the Illinois Gambling Act for employees of an
18 owners license or organization gaming licensee, once granted,
19 are considered equivalent licenses to work in sports wagering
20 positions located at the same gaming facility. License fees
21 shall be deposited into the State Gaming Fund and used for the
22 administration of this Act.

23 (f) The Board may require that licensees share, in real
24 time and at the sports wagering account level, information
25 regarding a wagerer, amount and type of wager, the time the
26 wager was placed, the location of the wager, including the

1 Internet protocol address, if applicable, the outcome of the
2 wager, and records of abnormal wagering activity. Information
3 shared under this subsection (f) must be submitted in the form
4 and manner as required by rule. If a sports governing body has
5 notified the Board that real-time information sharing for
6 wagers placed on its sports events is necessary and desirable,
7 licensees may share the same information in the form and
8 manner required by the Board by rule with the sports governing
9 body or its designee with respect to wagers on its sports
10 events subject to applicable federal, State, or local laws or
11 regulations, including, without limitation, privacy laws and
12 regulations. Such information may be provided in anonymized
13 form and may be used by a sports governing body solely for
14 integrity purposes. For purposes of this subsection (f),
15 "real-time" means a commercially reasonable periodic interval.

16 (g) A master sports wagering licensee, professional sports
17 team, league, or association, sports governing body, or
18 institution of higher education may submit to the Board in
19 writing a request to prohibit a type or form of wagering if the
20 master sports wagering licensee, professional sports team,
21 league, or association, sports governing body, or institution
22 of higher education believes that such wagering by type or
23 form is contrary to public policy, unfair to consumers, or
24 affects the integrity of a particular sport or the sports
25 betting industry. The Board shall grant the request upon a
26 demonstration of good cause from the requester and

1 consultation with licensees. The Board shall respond to a
2 request pursuant to this subsection (g) concerning a
3 particular event before the start of the event or, if it is not
4 feasible to respond before the start of the event, as soon as
5 practicable.

6 (h) The Board and master sports wagering licensees may
7 cooperate with investigations conducted by sports governing
8 bodies or law enforcement agencies, including, but not limited
9 to, providing and facilitating the provision of account-level
10 betting information and audio or video files relating to
11 persons placing wagers.

12 (i) A master sports wagering licensee shall make
13 commercially reasonable efforts to promptly notify the Board
14 any information relating to:

15 (1) criminal or disciplinary proceedings commenced
16 against the master sports wagering licensee in connection
17 with its operations;

18 (2) abnormal wagering activity or patterns that may
19 indicate a concern with the integrity of a sports event or
20 sports events;

21 (3) any potential breach of the relevant sports
22 governing body's internal rules and codes of conduct
23 pertaining to sports wagering that a licensee has
24 knowledge of;

25 (4) any other conduct that corrupts a wagering outcome
26 of a sports event or sports events for purposes of

1 financial gain, including match fixing; and
2 (5) suspicious or illegal wagering activities,
3 including use of funds derived from illegal activity,
4 wagers to conceal or launder funds derived from illegal
5 activity, using agents to place wagers, and using false
6 identification.

7 A master sports wagering licensee shall also make
8 commercially reasonable efforts to promptly report information
9 relating to conduct described in paragraphs (2), (3), and (4)
10 of this subsection (i) to the relevant sports governing body.
11 (Source: P.A. 101-31, eff. 6-28-19.)

12 (230 ILCS 45/25-90)

13 Sec. 25-90. Tax; Sports Wagering Fund.

14 (a) For the privilege of holding a license to operate
15 sports wagering under this Act, this State shall impose and
16 collect 15% of a master sports wagering licensee's adjusted
17 gross sports wagering receipts from sports wagering. The
18 accrual method of accounting shall be used for purposes of
19 calculating the amount of the tax owed by the licensee.

20 The taxes levied and collected pursuant to this subsection
21 (a) are due and payable to the Board no later than the last day
22 of the month following the calendar month in which the
23 adjusted gross sports wagering receipts were received and the
24 tax obligation was accrued.

25 (a-5) In addition to the tax imposed under subsection (a)

1 of this Section, for the privilege of holding a license to
2 operate sports wagering under this Act, the State shall impose
3 and collect 2% of the adjusted gross receipts from sports
4 wagers that are placed within a home rule county with a
5 population of over 3,000,000 inhabitants, which shall be paid,
6 subject to appropriation from the General Assembly, from the
7 Sports Wagering Fund to that home rule county for the purpose
8 of enhancing the county's criminal justice system.

9 (a-10) Beginning on the effective date of this amendatory
10 Act of the 102nd General Assembly, the calculation of adjusted
11 gross sports wagering receipts, for the purposes of this
12 Section, for a master sports wagering licensee shall not
13 include the dollar amount of non-cashable vouchers, coupons,
14 and electronic promotions redeemed by wagerers upon the master
15 sports wagering licensee up to and including an amount not to
16 exceed 20% of a master sports wagering licensee's adjusted
17 gross sports wagering receipts. At the end of each month there
18 shall be a reconciliation calculation dividing the total daily
19 promotional costs by the total daily adjusted gross sports
20 wagering receipts to determine any adjustment to the daily
21 credits not to exceed 20% of the monthly adjusted gross sports
22 wagering receipts for each master sports wagering licensee.
23 Additionally, at the end of each calendar year there shall be a
24 reconciliation calculation dividing the total annual
25 promotional costs by the total annual adjusted gross sports
26 wagering receipts to determine any adjustment to the credits

1 not to exceed 20% of the annual adjusted gross sports wagering
2 receipts for each master sports wagering licensee. Any
3 additional credits due shall be deducted from the next tax
4 payments until all credits have been taken.

5 The Illinois Gaming Board shall submit to the General
6 Assembly a comprehensive report no later than March 31, 2025
7 detailing, at a minimum, the effect of removing non-cashable
8 vouchers, coupons, and electronic promotions from this
9 calculation on net sports wagering revenues to the State in
10 calendar years 2022 through 2024, the increase or reduction in
11 wagerers as a result of removing non-cashable vouchers,
12 coupons, and electronic promotions from this calculation, the
13 effect of the tax rates in subsection (a-5) on net sports
14 wagering revenues to this State, and proposed modifications to
15 the calculation.

16 (b) The Sports Wagering Fund is hereby created as special
17 fund in the State treasury. Except as otherwise provided in
18 this Act, all moneys collected under this Act by the Board
19 shall be deposited into the Sports Wagering Fund. On the 25th
20 of each month, any moneys remaining in the Sports Wagering
21 Fund shall be transferred to the Capital Projects Fund.

22 (Source: P.A. 101-31, eff. 6-28-19.)