

Casino Gross Revenue Tax

Taxpayer

The tax is paid by operators of the four casinos authorized by Article XV, Section 6(C) of the Ohio constitution.

Tax Base

The tax applies to all gross casino revenue received by each casino operator. "Gross casino revenue" means the income of casinos after paying out prizes but before payment of expenses.

Rates

The Ohio constitution sets the tax rate at 33 percent.

Major Exemptions

None.

Revenue

No revenue had been collected from the casino gross revenue tax as of the end of the 2010 fiscal year.

Disposition of Revenue

Revenue from the tax will be distributed as follows:

- 51 percent to the Gross Casino Revenue County Fund, where it is distributed according to the population of each Ohio county. In counties whose largest city has a population greater than 80,000, revenue from this fund is split evenly between county government and the largest city. In other counties, all revenue is directed to county government.
- 34 percent to the Gross Casino Revenue County Student Fund, where it is distributed to public school districts based on student population.
- 5 percent to the host city of the casino.
- 3 percent to the Ohio State Racing Commission.
- 3 percent to the Ohio Casino Control Commission. Of this amount, one cent of every dollar is reserved for tax administration costs.
- 2 percent to the Problem Casino Gambling and Addictions Fund to support efforts to alleviate problem gambling and substance abuse and to fund related research.
- 2 percent to the Ohio Law Enforcement Training Fund. Of this amount, 85 cents of every dollar is directed to the Ohio Peace Officer Training Academy. The rest is directed to the Department of Public Safety's Office of Criminal Justice Services.

Payment Dates

Casino operators are required to file a return electronically before noon on any day that the banks are open. An electronic payment must accompany the return.

Special Provisions

Article XV, Section 6(C)(2) of the Ohio constitution generally prohibits state and local governments from levying other casino gaming-related taxes or fees.

Sections of the Revised Code

Chapter 5753.

Responsibility for Administration

The Tax Commissioner administers the tax. The Ohio Casino Control Commission regulates casinos.

History of Major Changes

2009 Ohio voters approve an amendment to the Ohio constitution authorizing one casino each in Cincinnati, Cleveland, Columbus and Toledo. The amendment also requires a 33 percent tax on gross casino revenue.

2010 In May, voters approve an amendment to the Ohio constitution that relocates the future Columbus casino from the city's arena district to its west side. In June, the General Assembly passes House Bill 519, implementing the tax on gross casino revenue through a new Chapter 5753 to the Ohio Revised Code.

Comparisons with Other States

(As of October, 2010)

Comparable casinos and casino taxes do not exist in **California, Kentucky, Massachusetts** or **Texas**. For other comparison states, the table below describes the taxes that apply to land-based casinos not located at a racetrack ("casinos"), riverboat casinos ("riverboats"), and casinos located at a racetrack ("racinos"). Other forms of gambling, such as tribal casinos, card rooms, and electronic gaming device facilities, also take place in some comparison states, but these forms of gambling are not included in this comparison.

State	Types of Facilities	Tax Base and Rate
Florida	Racinos (slot machines only)	A 50 percent tax applies to gross gaming revenue. ¹
Illinois	Riverboats	Graduated tax rates from 15 percent to 50 percent apply to gross gaming revenue; a \$2–3 admissions tax also applies.
Indiana	Casinos, riverboats, and racinos (slot machines only)	Graduated tax rates from 15 percent to 40 percent apply to gross gaming revenue; a \$3 admissions tax also applies.

Michigan	Casinos	A 19 percent (for permanent facilities) or 24 percent (for temporary facilities) tax applies to gross gaming revenue; state and municipal service fees are also levied annually.
New Jersey	Casinos	An 8 percent tax applies to gross gaming revenue as well as a community investment alternative tax of 2.5% of gross gaming revenue.
New York	Racinos (video lottery terminals only)	No tax, but the state retains 65 percent of gross receipts.
Pennsylvania	Casinos and racinos	A 55 percent tax applies to gross gaming revenue.
West Virginia	Racinos (video lottery terminals and, in most locations, lottery-run table games)	No tax, but the state retains 56.7 percent of gross receipts.

Source: "2010 AGA Survey of Casino Entertainment," American Gaming Association.

¹ This percentage does not include what operators allocate to horse and dog breeders funds, local authorities, or problem gambling awareness.