



Gross Casino Revenue Tax

Ohio voters passed a constitutional amendment in 2009 that provides for four casino facilities to be located in this state: Cleveland, Toledo, Columbus and Cincinnati. Three casinos opened in calendar year 2012. Cincinnati opened in February, 2013.

The Ohio Department of Taxation is responsible for administering the gross casino revenue tax and for ensuring that casinos comply with all pertinent state tax laws, administrative rules and policies. The Ohio Casino Control Commission is responsible for licensing and regulating casino operators, their employees and gaming-related vendors.

The gross casino revenue tax is imposed on licensed casino operators at the rate of 33%. In fiscal year 2014, total receipts were \$273.4 million.

Taxpayer

(Ohio Revised Code 5753.01)

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

Tax Base

(R.C. 5753.02)

The tax applies to all gross casino revenue received by each casino operator. "Gross casino revenue" means the amount of money exchanged for the purchase of chips, tokens, tickets, electronic cards, or similar objects by casino patrons, less winnings paid to wagerers.

Rates

(R.C. 5753.02)

The tax rate is equal to 33% of an operator's gross casino revenue.

Major Exemptions

None.

Revenue

Fiscal year 2013 tax collections totaled \$225.4 million and increased 21% in fiscal year 2014 to \$273.4 million. Fiscal year 2014 was the first full year that all four casinos in the state were operational.

Table 1

Gross Casino Tax Receipts	
Fiscal Year	Revenue
FY 2012	\$19,760,134
FY 2013	\$225,438,259
FY 2014	\$273,393,331

Source: Office of Budget & Management, OAKS financial reports.

Disposition of Revenue

(R.C. 5753.03)

Revenue from the tax is distributed as follows:

- 51% to Gross Casino Revenue County Fund, which is distributed to each Ohio county by population. 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% to Gross Casino Revenue County Student Fund, where it is distributed to public school districts based on student population. Funds are transferred to districts semi-annually at the end of every August and January;
- 5% to host city where a casino is located;
- 3% to Ohio State Racing Commission. Of this amount, 5% may be retained by the commission for operating expenses necessary for the administration of the fund;
- 3% to Ohio Casino Control Commission. Of this amount, one cent of every dollar is reserved for tax administration costs;
- 2% to Problem Casino Gambling and Addictions Fund to support efforts to alleviate problem gambling and substance abuse and to fund related research;
- 2% to Ohio Law Enforcement Training Fund. Of this amount, 85% is directed to the Ohio Peace Officer Training Academy and the remainder is directed to the Department of Public Safety's Office of Criminal Justice Services.

Payment Dates

(R.C. 5753.04)

The operators of each casino facility are required to file returns and to remit payments for the related tax liabilities

each day that banks are open for business. Each return reflects casino gaming activity over a 24-hour period.

Sections of the Revised Code

Chapter 5753.

Responsibility for Administration

(R.C. 5753.09)

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

History of Major Changes

2009	Ohio voters approve a constitutional amendment authorizing one casino each in Cincinnati, Cleveland, Columbus and Toledo, requiring a 33% tax on gross casino revenue and providing for the disposition of the revenue.
2010	H.B. 519 established casino gaming statutes in accordance with the constitutional amendment, created the Ohio Casino Control Commission, and implemented the tax on gross casino revenue.
2012	H.B. 386. makes many regulatory changes to Ohio's gambling laws that mainly affect the Ohio Casino Control Commission, the Ohio Racing Commission, and the Ohio Lottery Commission, The bill includes related provisions for the Inspector General, Attorney General, the Development Services Agency, the Department of Taxation, and also addresses video lottery terminals, gambling addiction services, charitable gaming activities, and sweepstakes terminal devices. The bill did not make significant changes to the casino tax or to its statutory distribution allocations.

Comparison with Other States

There are no casinos in Georgia and Tennessee. There are only Native American (or "Tribal") casinos in Texas and North Carolina.

State	Casinos	Tax
Indiana	Riverboats ¹ and racetrack casinos; 13 total operating	For riverboat and land-based casinos, a graduated tax ranges from 15% to 40% and applies to gross gaming revenue. For racetrack casinos, a graduated slot tax ranges from 25% to 35% and applies to gross gaming revenue. A \$3 admissions tax also applies.
Michigan	Land-based Casinos; 3 total operating (non-tribal)	A 24% tax applies to gross gaming revenue.
Pennsylvania	Land-based and racetrack casinos with slots and table games; 11 total operating (non-tribal)	A 55% tax ² applies to gross gaming revenue from slot machines, and a 16% tax ³ applies to winnings from on table games.
West Virginia	Racetrack casinos with VLTs and table games, and a land-based casino; 5 total operating	A 35% tax applies to adjusted gross receipts

¹ Indiana law defines "riverboat" to be a self-propelled excursion boat, a casino located in a historic hotel district, and a permanently moored craft operating from a county.

² The rate is comprised of a 34% state tax, a 4% local share assessment, a 5% economic development and tourism fund, and a 12% Race Horse Development Fund (see 4 Pa.C.S. § 1405).

³ This rate includes a 2% local share assessment.

Table 2

Gross Casino Tax Distributions FY 2014		
Fund	Distributions	% Share
Host City Fund	\$13,792,461	5.0
Student Fund	93,788,734	34.0
County Fund	140,683,100	51.0
Casino Control Commission Fund	8,275,476	3.0
Ohio State Racing Commission Fund	8,275,476	3.0
Law Enforcement Training Fund	5,516,984	2.0
Problem Gambling & Addictions Fund	5,516,984	2.0
Total Deposits	\$275,849,217	100.0

Source: Ohio Dept. of Taxation records

Table 3					
Ohio's Gross Casino Tax Revenues FY 2014 Distributions to Counties					
County	Distributions	County	Distributions	County	Distributions
Adams	\$344,579	Hamilton ³	\$9,775,850	Muskingum	\$1,044,747
Allen	\$1,281,047	Hancock	\$921,950	Noble	\$177,711
Ashland	\$645,299	Hardin	\$385,249	Ottawa	\$502,954
Ashtabula	\$1,221,022	Harrison	\$191,123	Paulding	\$234,888
Athens	\$784,306	Henry	\$341,718	Perry	\$438,600
Auglaize	\$558,469	Highland	\$524,583	Pickaway	\$686,647
Belmont	\$848,281	Hocking	\$354,761	Pike	\$346,548
Brown	\$540,207	Holmes	\$525,692	Portage	\$1,973,471
Butler	\$4,515,666	Huron	\$720,872	Preble	\$509,710
Carroll	\$347,270	Jackson	\$400,871	Putnam	\$416,201
Champaign	\$481,569	Jefferson	\$831,718	Richland	\$1,491,494
Clark	\$1,668,096	Knox	\$739,677	Ross	\$944,469
Clermont	\$2,428,109	Lake	\$2,797,048	Sandusky	\$735,792
Clinton	\$510,332	Lawrence	\$755,910	Scioto	\$954,882
Columbiana	\$1,295,432	Licking	\$2,043,002	Seneca	\$681,980
Coshocton	\$447,903	Logan	\$553,881	Shelby	\$598,913
Crawford	\$521,769	Lorain	\$3,675,859	Stark ⁷	\$4,567,436
Cuyahoga ¹	\$15,402,984	Lucas ⁴	\$5,330,006	Summit ⁸	\$6,589,887
Darke	\$639,138	Madison	\$525,028	Trumbull	\$2,523,332
Defiance	\$470,652	Mahoning ⁵	\$2,860,274	Tuscarawas	\$1,126,127
Delaware	\$2,216,717	Marion	\$805,788	Union	\$643,780
Erie	\$929,484	Medina	\$2,119,018	Van Wert	\$349,262
Fairfield	\$1,800,261	Meigs	\$287,073	Vinton	\$161,355
Fayette	\$351,517	Mercer	\$497,580	Warren	\$2,651,567
Franklin ²	\$14,610,164	Miami	\$1,256,349	Washington	\$748,266
Fulton	\$517,724	Monroe	\$177,308	Wayne	\$1,399,468
Gallia	\$373,761	Montgomery ⁶	\$6,512,372	Williams	\$456,860
Geauga	\$1,141,849	Morgan	\$181,591	Wood	\$1,564,548
Greene	\$1,991,326	Morrow	\$425,813	Wyandot	\$274,880
Guernsey	\$484,431			Total Distributions	\$140,683,100
¹ Includes \$7,701,492 in distributions for the most populated city: Cleveland.					
² Includes \$7,305,082 in distributions for the most populated city: Columbus.					
³ Includes \$4,887,925 in distributions for the most populated city: Cincinnati.					
⁴ Includes \$2,665,003 in distributions for the most populated city: Toledo.					
⁵ Includes \$1,430,137 in distributions for the most populated city: Youngstown.					
⁶ Includes \$3,256,186 in distributions for the most populated city: Dayton.					
⁷ Includes \$2,283,718 in distributions for the most populated city: Canton.					
⁸ Includes \$3,294,943 in distributions for the most populated city: Akron.					
Source: Ohio Department of Taxation records.					