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The MICHIGAN GAMING Newsletter



Michigan Internet Casino Gaming and Sports Betting Operators Report Combined \$155.92 Million in January Gross Receipts

As <u>reported</u> by the Michigan Gaming Control Board (MGCB), Michigan commercial and tribal internet casino gaming and sports betting operators reported a combined \$155.92 million total gross receipts in January.

Combined total adjusted gross receipts of \$128.35 million were reported for the month including \$109.18 million from internet gaming and \$19.17 million from internet sports betting.

January's total handle set a record, up 2.5% to \$496.8 million as compared to \$484.6 million set in December 2021.

The operators delivered more than \$20.5 million in taxes and payments to the State of Michigan during January, with internet gaming taxes and fees contributing \$19.1 million and internet sports betting taxes and fees contributing \$1.4 million.

The three Detroit Casinos – MotorCity Casino, MGM Grand Detroit, and Greektown Casino - reported city wagering taxes and municipal service fees of \$5.9 million for:

- Internet gaming taxes and fees: \$5.3 million
- Internet sports betting taxes and fees: \$596,001

Tribal operators reported making total payments of \$2.2 million of wagering payment to the tribes' governing bodies according to the MGCB.

During January, internet gaming gross receipts were \$121.24 million and internet sports betting gross receipts totaled \$34.68 million.

An online gaming and sports betting revenue distribution <u>table</u> is available on the agency's website.

During January, 14 operators were authorized for one or both forms of online wagering. Details for each operator's internet gaming and internet sports betting results are available in <u>tables</u> published on the MGCB website.

Detroit Casinos Report \$100.9 Million January Aggregate Revenue

According to the January <u>revenues</u> released by the Michigan Gaming Control Board (MGCB), the three Detroit casinos reported \$100.9 million in monthly aggregate revenue in January. Table games and slots generated \$98.97 million in revenue, and retail sports betting produced revenue of \$1.93 million.

The January market shares were:

- MGM, 49 percent
- MotorCity, 30 percent
- Greektown, 21 percent

January's monthly revenue for table games and slots was 14% higher compared to January 2021 results. Monthly revenue was down 11.1% when compared to December 2021 results.

When compared with January 2021, monthly gaming revenue rose:

- MGM, 43.3 percent to \$48.65 million
- Greektown, 4.1 percent to \$20.45 million
- MotorCity's fell, 9.9 percent to \$29.87 million

The three Detroit casinos paid \$8 million in gaming taxes to the State of Michigan, compared to \$7 million for the same period last year. The casinos also reported submitting \$11.8 million in wagering taxes and development agreement payments to the City of Detroit in January.

Total gross receipts for retail sports betting were \$1.97 million. Retail sports betting qualified adjusted gross receipts (QAGR) dropped 52.4% in January to \$1.93 million compared with the same month last year. Monthly QAGR was up by 74.8% when compared with December results.

QAGR by casino was:

- MGM, \$481,785
- MotorCity, \$521,493
- Greektown, \$929,796

Total handle was \$35.87 million. The three Detroit casinos reported submitting taxes on retail sports betting in the amounts of \$73,070 to the State of Michigan and \$89,308 to the city of Detroit.

Fantasy contest operators reported total adjusted revenues of \$772,465 and paid taxes of \$64,887 for the month of December. From January thru December 2021, fantasy contest operators reported \$16.2 million in aggregate fantasy contest adjusted revenues and paid \$1.4 million in taxes.

AGA Reports Record Commercial Gaming Revenue in 2021

According to a <u>press release</u> from the American Gaming Association (AGA), revenue for the commercial gaming industry in 2021 set a new record at \$53 billion. In addition to setting an all-time quarterly record in Q4 2021 of \$14.31 billion, the 2021 total surpassed the previous industry record of \$43.65 billion set in 2019.

AGA President and CEO Bill Miller shared his excitement for the annual results and their significance: "These results are nothing short of remarkable," said Miller. "The success of 2021 reflects our commitment to health and safety and how Americans have welcomed gaming's expansion across the country."

Twenty-three of the thirty-four commercial gaming jurisdictions in the United States set

individual records for annual gaming revenue. The record year was led by traditional brick-and-mortar gaming: slots and table game revenues accounted for \$44.94 billion in revenue in 2021, a 6.6 percent increase over the previous record of 2019.

Sports betting revenue in 2021 increased by 177 percent over 2020 levels to \$4.29 billion. The AGA attributed this growth to the strong demand in well-established sports betting markets, like Nevada, New Jersey, and Pennsylvania, along with the launch of sports betting in several new markets, including Arizona, Connecticut, Louisiana, Maryland, South Dakota, Virginia, and Wyoming.

Increased revenue from iGaming also contributed to 2021's record results. The introduction of iGaming in Connecticut and Michigan, according to the AGA, contributed to the sector's record \$3.71 billion in revenue in 2021. Combined, iGaming and sports betting revenues accounted for \$8 billion in revenue in 2021, setting a new record as 15.1 percent of total industry revenue and representing a 158 percent increase from 2022.

Recognizing the financial importance of a multifaceted gaming industry, Miller said, "Today's industry is effectively meeting customers how and where they want to engage—whether at a casino or through mobile gaming."

While "gaming's total recovery is still reliant on the full return of travel and large events, which requires a safe health environment and open economy," Miller is "optimistic that we will see continued growth throughout 2022."