10/01/09

For Immediate Release: CASINOS ACROSS STATE JOIN IN SUPPORT OF "10/12" FOR TABLE GAMES

Intro: Four of Pennsylvania's largest casinos today sent a letter to each member of the state legislature calling on them to support the $10 million one-time licensing fee and 12% tax rate set forth in SB 1033. A copy of the letter is below.

For more information, contact:
Pennsylvania Casino Association
Ken Smukler
610.664.5946

To the Members of the Pennsylvania Legislature:

Senate Bill 1033, relating to table games at Pennsylvania Casinos, presents a wonderful opportunity to enhance revenue to the Commonwealth and create a significant number of additional jobs, through the issuance of table games licenses. This opportunity can only be maximized if the licensing fee and tax rate on gaming revenue are optimized to yield the highest possible returns from the table games business.

As the Innovation Group study of April 2009 concludes, table games revenue would be maximized at a $10 million one-time license fee, and a tax rate of 12% on table games income. The revenue to the Commonwealth would be reduced at either higher or lower numbers for the fees and taxes. In addition to maximum revenue at these rates, the Innovation Group points out that job creation will also be maximized at the $10 million license fee and 12% tax rate. The $10 million license fee should be made payable in two equal $5 million payments.

The undersigned casinos, all of us experienced and active in the gaming industry, have all reached this same conclusion and speak to you with one voice on this issue. Any fee higher than $10 million or any tax rate higher than 12% will cause the casinos to consider significantly reducing the number of table games and may even forego table games altogether. Such a decision would directly and negatively impact potential revenue and job growth projections tied to table games.

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Respectfully,
SugarHouse Casino
Rivers Casino
Mt. Airy Casino Resort
Foxwoods Casino Philadelphia

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cc: Honorable Edward G. Rendell

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