

2025 Regular Session

HOUSE BILL NO. 415

BY REPRESENTATIVE ECHOLS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

GAMING: Authorizes enhanced promotional play allowances for gaming operators that make certain capital investments

1 AN ACT

2 To amend and reenact R.S. 27:44(15) and 205(16) and to enact R.S. 27:270(B) and R.S.
3 36:101.1, relative to the deduction on promotional play wagers; to provide for
4 increasing the deduction on promotional play wagers; to provide relative to capital
5 outlays; to provide definitions; to direct Louisiana Economic Development to report
6 on gaming taxes and incentives; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 27:44(15) and 205(16) are hereby amended and reenacted and R.S.
9 27:270(B) is hereby enacted to read as follows:

10 §44. Definitions

11 When used in this Chapter, the following terms shall mean:

12 * * *

13 (15) "Net gaming proceeds" means the total of all cash and property,
14 including checks received by a licensee, whether collected or not, received by the
15 licensee from gaming operations, less the total of all cash paid out as winnings to
16 patrons and five million dollars annually directly attributable to promotional play
17 wagers, and any additional amount earned as provided for in R.S. 27:270.

18 * * *

19 §205. Definitions

20 When used in this Chapter, the following terms have these meanings:

21 * * *

1 (16) "Gross revenue" means the total of all value received by the casino
 2 gaming operator from gaming operations, including cash, checks, vouchers,
 3 instruments and anything received in payment for credit extended to a patron for
 4 purposes of gaming, and compensation received for conducting any game in which
 5 the casino gaming operator is not party to a wager, less the total of all value or
 6 amounts paid out as winnings to patrons and credit instruments or checks which are
 7 uncollected as determined by rule of the corporation and five million dollars
 8 annually directly attributable to promotional play wagers, and any additional amount
 9 earned as provided for in R.S. 27:270.

10 * * *

11 §270. Deposit of revenues; expenditures and investments authorized; transfer of
 12 revenues to state treasury; corporation operating account; audit of
 13 corporation books and records; audits

14 * * *

15 B. In addition to the five million dollar annual deduction for promotional
 16 play wagers authorized by R.S. 27:44(15) and 205(16), a gaming operator that makes
 17 a qualifying capital outlay shall be entitled to an additional promotional play credit
 18 in accordance with the following:

19 (1)(a) A gaming operator shall be entitled to a promotional play credit equal
 20 to the total dollar amount of the qualifying capital outlay as certified by the board to
 21 be utilized in accordance with the provisions of Subparagraph (b) of this Paragraph.

22 (b) The amount of promotional play credit claimed by a gaming operator in
 23 a tax year shall not exceed ten percent of the certified qualifying capital outlay
 24 amount or twenty percent of the gaming operator's gross gaming revenue for that tax
 25 year, whichever is greater.

26 (2) A promotional play credit authorized under this Section may be claimed
 27 for up to ten taxable years, commencing in the year of the certification of the
 28 qualifying capital outlay. Any portion of the promotional play credit that has not
 29 been taken after the expiration of ten years is forfeited.

1 (3) Prior to the earning of an additional promotional play credit, the board
 2 shall certify that a gaming operator's expenditure constitutes a qualifying capital
 3 outlay and the dollar amount of the qualifying capital outlay and promotional play
 4 credit.

5 (4) For the purposes of this Section, the term "qualifying capital outlay"
 6 means expenditures made on or after January 1, 2022, for acquiring lands, buildings,
 7 equipment including slot machines and other gaming equipment, or other capital
 8 expenditures made to increase taxable revenue or for the development or permanent
 9 improvement of the licensed gaming facility. Notwithstanding the foregoing,
 10 qualifying capital outlays shall include expenditures made to move riverboat gaming
 11 facilities landside pursuant to R.S. 27:67.

12 (5) For the purposes of this Section, the term "promotional play credit"
 13 means an amount earned that increases the five million dollar amount provided for
 14 in R.S. 27:44(15) and 205(16).

* * *

Section 2. R.S. 36:101.1 is hereby enacted to read as follows:

§101.1. Strategic Economic Development Plan

18 A. The Louisiana Economic Development department shall create a strategic
 19 economic development plan which makes recommendations regarding gaming taxes
 20 and gaming tax incentives which may promote additional capital outlay expenditures
 21 and other means of economic development.

22 B. The department shall submit the strategic economic development plan to
 23 the legislature no later than January 1, 2027.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Abstract: Provides for increasing the deduction on promotional play wagers.

Present law provides that gaming operators may have up to \$5,000,000 in promotional play wagers untaxed.

Proposed law provides that a gaming operator shall be entitled to a promotional play credit equal to the total dollar amount of the qualifying capital outlay.

Proposed law provides a maximum credit of 10% of the qualifying capital outlay or 20% of the gaming operator's gross gaming revenue, which is greater.

Proposed law uses the same definition for "capital outlay" as appears in present law.

Proposed law directs La. Economic Development to create and submit a strategic economic development plan and make recommendations as to gaming taxes and gaming tax incentives.

(Amends R.S. 27:44(15) and 205(16); Adds R.S. 27:270(B) and R.S. 36:101.1)