

2025 Regular Session

HOUSE BILL NO. 542

BY REPRESENTATIVE JACKSON

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

GAMING: Provides for the allowable amount of promotional play offered by certain gaming operators and for deductions regarding promotional play

1 AN ACT

2 To amend and reenact R.S. 27:44(15) and 205(16), relative to promotional play in certain
3 forms of gaming; to provide for the allowable amount of promotional play deduction
4 in certain forms of gaming; to provide for the calculation of net gaming proceeds and
5 gross revenue; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 27:44(15) and 205(16) are hereby amended and reenacted to read as
8 follows:

9 §44. Definitions

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

11 * * *

12 (15) "Net gaming proceeds" means the total of all cash and property,
13 including checks received by a licensee, whether collected or not, received by the
14 licensee from gaming operations, less the total of all cash paid out as winnings to
15 patrons and promotional play wagers received. However, the maximum amount of
16 promotional play wagers that a licensee may deduct from net gaming proceeds in any
17 calendar year shall not exceed five million dollars ~~annually directly attributable to~~
18 ~~promotional play wagers~~ or the percentage cap, whichever is greater. For the
19 purposes of this Section, the percentage cap shall be as follows:

1 (a) Beginning in the tax year of 2026, the percentage cap shall be equal to
2 four percent of a licensee's taxable revenue for that tax year.

3 (b) Beginning in the tax year of 2027, the percentage cap shall be equal to
4 seven percent of a licensee's taxable revenue for that tax year.

5 (c) Beginning in the tax year of 2028 and every year thereafter, the
6 percentage cap shall be equal to ten percent of a licensee's taxable revenue for a tax
7 year.

8 * * *

9 §205. Definitions

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

11 * * *

12 (16) "Gross revenue" means the total of all value received by the casino
13 gaming operator from gaming operations, including cash, checks, vouchers,
14 instruments and anything received in payment for credit extended to a patron for
15 purposes of gaming, and compensation received for conducting any game in which
16 the casino gaming operator is not party to a wager, less the total of all value or
17 amounts paid out as winnings to patrons and credit instruments or checks which are
18 uncollected as determined by rule of the corporation and promotional play wagers
19 received. However, the maximum amount of promotional play wagers that a casino
20 gaming operator may deduct from its gross revenue in any calendar year shall not
21 exceed five million dollars ~~annually directly attributable to promotional play wagers~~
22 or the percentage cap, whichever is greater. For the purposes of this Section, the
23 percentage cap shall be as follows:

24 (a) Beginning in the tax year of 2026, the percentage cap shall be equal to
25 four percent of a casino gaming operator's taxable revenue for that tax year.

26 (b) Beginning in the tax year of 2027, the percentage cap shall be equal to
27 seven percent of a casino gaming operator's taxable revenue for that tax year.

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(c) Beginning in the tax year of 2028 and every year thereafter, the

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percentage cap shall be equal to ten percent of a casino gaming operator's taxable

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revenue for a tax year.

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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)]

HB 542 Original

2025 Regular Session

Jackson

Abstract: Changes the amount of promotional play wagers from \$5M to \$10M over three years.

Present law provides that \$5M attributable to promotional play wagers shall not be defined as "net gaming proceeds" and "gross revenue".

Proposed law provides that a licensee or gaming operator may subtract \$5M in promotional play wagers or the percentage cap when calculating net gaming proceeds and gross revenue.

Proposed law provides the following schedule for increasing the percentage caps:

- (1) In 2026, the percentage cap shall be 4% of taxable revenue.
- (2) In 2027, the percentage cap shall be 7% of taxable revenue.
- (3) In 2028 and every year after, the percentage cap shall be 10% of taxable revenue.
- (Amends R.S. 27:44(15) and 205(16))