

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), 205(16), and 353(9), relative to promotional play in
3 certain forms of gaming; to provide for the allowable amount of promotional play
4 deduction in certain forms of gaming; to provide for the calculation of net gaming
5 proceeds and 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), 205(16), and 353(9) are hereby amended and reenacted
8 to read as 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:

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

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

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

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§205. Definitions

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

* * *

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

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

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

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

* * *

§353. Definitions

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

* * *

(9) "Net slot machine proceeds" means the total of all cash and property received by a licensee from slot machine gaming operations minus the amount of cash or prizes paid to winners and promotional play wagers received. However, the maximum amount of promotional play wagers that an eligible facility may deduct from its net slot machine proceeds in any calendar year shall not exceed five million dollars annually directly attributable to promotional play wagers: or the percentage cap, whichever is greater. For the purposes of this Section, the percentage cap shall be as follows:

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

(b) Beginning in the tax year of 2027, the percentage cap shall be equal to
seven percent of an eligible facility's taxable revenue for that tax year.

(c) Beginning in the tax year of 2028 and every year thereafter, the percentage cap shall be equal to ten percent of an eligible facility's taxable 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 Engrossed

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", "gross revenue", and "net slot machine proceeds".

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), 205(16), and 353(9))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Administration of Criminal Justice to the original bill:

- 1. Make technical changes.
- 2. Within the present law (R.S. 27:353) definition of "net slot machine proceeds", add both the promotional play wagers and the percentage cap schedule contained in proposed law.