

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor



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STAFF AGENDA MEMORANDUM

DATE OF MEETING: April 23, 2015

AGENDA ITEM: **2014 Free Promotional Play Report**

PRESENTER: Charles LaBoy, Assistant Director for Gaming

ISSUE SUMMARY:

In accordance with COMAR 36.03.10.36(G), each facility operator is required to submit a report of its use of free promotional play during the prior fiscal year and recommend any adjustment to the limitation on free promotional play established in regulation. Current regulation states that each facility operator may exclude from taxable proceeds an amount that equates to 20% of proceeds the facility generated in the prior full fiscal year. Per statute, facilities that have not had a full fiscal year of operation are not subject to this limitation. The reports submitted by the facility operators provide the following:

<u>Facility</u>	<u>Recommendation</u>
Hollywood Casino at Perryville	No change
The Casino at Ocean Downs	No change
Maryland Live!	No change
Rocky Gap Casino and Resort*	No change
Horseshoe Casino Baltimore*	No change

* Facilities did not operate for a full fiscal year in 2013 and therefore were not subject to the free promotional play cap in 2014.

COMMISSION ACTION REQUIRED/REQUESTED: The Commission may direct staff to adjust in regulation the amount of free promotional play that is excluded from taxable proceeds or take no action to leave the rate at 20%.

STAFF RECOMMENDATIONS: Staff recommends no action to leave the current limits in place.