

1 Title 36
2 MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY
3 Subtitle 03 GAMING PROVISIONS

4 Chapter 10 Video Lottery Facility Minimum Internal Control Standards

5 Authority: Family Law Article, §10-113.1; State Government Article, §§9-1A-01(u), 9-1A-02, 9-
6 1A-04, and 9-1A-24; Annotated Code of Maryland

7 **.36 Promotional Play.**

8 A. – E. (text unchanged)

9 F. ~~[Limitation on Free]~~ **No Deduction From Proceeds for** Promotional Play.

10 ~~[(1) Through the first full fiscal year of a facility's operations, the proceeds of a facility~~
11 ~~excludes money given away by a licensee as free promotional play and used by players to bet in~~
12 ~~a video lottery terminal or at a table game.~~

13 ~~(2) After the first full fiscal year of a facility's operations, the amount of money given away~~
14 ~~as free promotional play in a fiscal year may not exceed a percentage of the facility's proceeds~~
15 ~~received in the prior fiscal year under State Government Article, §9-1A-27(a)(2), (c)(1)(ii), and~~
16 ~~(d)(1), Annotated Code of Maryland, that equates to 20 percent of total video lottery terminal~~
17 ~~and table game proceeds the facility generated in the prior fiscal year.~~

18 ~~(3) An amount of money given away as free promotional play in a fiscal year exceeding the~~
19 ~~percentage defined in §F(2) of this regulation of the facility's proceeds of the prior fiscal year~~
20 ~~shall be allocated as] **No percentage of promotion play may be deducted from** proceeds under~~
21 ~~State Government Article, §9-1A-27, Annotated Code of Maryland.~~

22 G. **Reporting.** No later than 90 days after the end of the fiscal year, a facility operator shall
23 submit to the Commission a written [÷

24 ~~(1) Report] **report** of its use of free promotional play during the prior fiscal year. [÷ and~~

25 ~~(2) Recommendation for any adjustment to the limitation on free promotional play~~
26 ~~established under §F(2) of this regulation.]~~

27 H. For purposes of ~~[§§F and G]~~ **§G** of this regulation, “fiscal year” means the fiscal year of the
28 facility operator.

29
30 Title 36
31 MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY
32 Subtitle 05 TABLE GAMES

33 Chapter 03 Table Games Procedures

34 Authority: State Government Article, §§9-1A-02 and 9-1A-04, Annotated Code of Maryland

35 **.15 Table Game Taxes and Gross Table Game Revenue.**

36 A. – C (text unchanged)

1 D. The net revenue for an individual banking table game must be equal to the total of §D(1)—
2 (3) of this regulation, minus the total of §D(4)—(6) of this regulation:

3 (1) – (5) (text unchanged)

4 (6) The sum of all promotional instruments [~~that are allowed to be~~] may not be excluded
5 from taxable proceeds under COMAR 36.03.10.36.

6 E. – J. (text unchanged)

7 **Title 36**

8 **MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY**

9 **Subtitle 10 SPORTS WAGERING PROVISIONS**

10 **Chapter 13 Sports Wagering Licensee Minimum Internal Control Standards**

11 Authority: Education Article §§10-101 and 26-801; State Government Article, §§9-1A-02, 9-1A-
12 04, 9-1A-33, 9-1E-01—9-1E-15; Annotated Code of Maryland

13 **.39 Promotional Play.**

14 A. – E. (text unchanged)

15 F. [~~Limitation on Free~~] No Deduction From Proceeds for Promotional Play.

16 [(1) Through the first full fiscal year of a sports wagering licensee's operations, a licensee's
17 proceeds exclude money given away by the licensee as free promotional play and used by bettors
18 to make a sports wager.

19 (2) After the first full fiscal year of a sports wagering licensee's operations, the amount of
20 money given away as free promotional play in a fiscal year may not exceed a percentage of the
21 licensee's proceeds received in the prior fiscal year that equates to 20 percent of total sports
22 wagering proceeds that the sports wagering licensee generated in the prior fiscal year.

23 (3) After the first fiscal year of sports wagering activity, the 20 percent cap specified under
24 §F(2) of his regulation includes all revenues generated by casino sports wagering and gaming
25 activities.

26 (4) An amount of money given away as free promotional play in a fiscal year exceeding the
27 percentage defined in §F(2) of this regulation of the sports wagering licensee's proceeds of the
28 prior fiscal year shall be allocated as proceeds.] No percentage of promotion play may be
29 deducted from proceeds.

30 G. No later than 90 days after the end of the fiscal year, a sports wagering licensee shall submit
31 to the Commission a written [:

32 (1) ~~Report~~] report of its use of free promotional play during the prior fiscal year.]; and

33 (2) ~~Recommendation for any adjustment to the limitation on free promotional play~~
34 ~~established under §F(2) of this regulation.]~~

35 H. For purposes of [~~§§F and G~~] §G of this regulation, “fiscal year” means the fiscal year of the
36 sports wagering licensee.