



October 29, 2021

The Honorable Ralph S. Northam  
 Governor  
 Commonwealth of Virginia  
 Patrick Henry Building, 3<sup>rd</sup> floor  
 Richmond, VA 23219

**Re: September 2021 Sports Betting Report**

Dear Governor Northam:

I am pleased to provide our report of legal sports betting activity for the month of September 2021, as required in Virginia Code § 58.1-4031 (2020).

During the month of September, nine operators were active and accepting mobile sports wagers in Virginia. The ninth operator, Golden Nugget Online Gaming VA LLC, began accepting wagers during the month of September. During the month, eligible players wagered nearly \$294 million on sports activities including NFL and college football.

Sports betting activity is taxed based on a permit holder’s adjusted gross revenue. Adjusted gross revenue is calculated as wagers **minus** cash and noncash winnings, voided and cancelled wagers, Federal excise taxes, and certain allowable adjustments. Virginia’s sports betting statute defines noncash winnings to include the value of wager bonuses and promotions used to attract and retain registered account holders. That means the adjusted gross revenue for operators may be negative for a month, and if so, that negative balance is carried forward to the following month. These calculations adhere to the statutory provisions in Virginia Code §58.1-4030 et seq., as enacted by the General Assembly in the 2020 Regular Session.

Virginia aggregate numbers:

	September Activity	FY22 YTD
Total wagers	\$293,851,531.43	\$638,171,738.26
Cash and noncash winnings	(\$280,344,355.98)	(\$597,976,090.71)
Void and Cancelled wagers	(\$2,302,278.33)	(\$6,558,707.59)
Federal excise taxes	(\$696,381.44)	(\$1,466,051.98)
Adjustments	(\$174,120.81)	(\$457,409.41)
Total, Virginia Adjusted Gross Revenues	\$10,334,394.87	\$31,713,478.57

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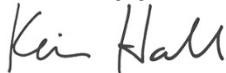
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For the month of September, four permitted operators reported cumulative positive taxable adjusted gross revenue of \$10,383,324.70. At the 15% statutory tax rate (Virginia Code § 58.1-4037), total sports betting tax collections in October were \$1,557,498.71. From these taxes, the required 2.5% was apportioned to the Problem Gambling Treatment and Support Fund, with the remaining 97.5% directed to the general fund as required by Virginia Code § 58.1-4038.

	October 2021	FY2022 Year to Date
General Fund	\$1,518,561.23	\$6,897,604.54
Problem Gambling Treatment and Support Fund	\$38,937.47	\$176,861.65
Total Taxes	\$1,557,498.70	\$7,074,466.19

Please let me know if you have any questions, or if you would like more information.

Sincerely yours,



Kevin Hall

- c:     The Honorable Janet D. Howell, Chairwoman, Senate Finance & Appropriations Committee  
          The Honorable Luke E. Torian, Chairman, House Appropriations Committee  
          The Honorable Vivian E. Watts, Chairwoman, House Finance Committee  
          The Honorable Clark Mercer, Chief of Staff, Office of the Governor  
          The Honorable F. Joseph Flores, Secretary of Finance  
          Daniel S. Timberlake, Director, Department of Planning & Budget  
          David A. Von Moll, State Comptroller  
          April Kees, Director, Senate Finance & Appropriations Committee  
          Anne E. Oman, Staff Director, House Appropriations Committee  
          Ferhan Hamid, Chairman, Virginia Lottery Board