



October 1, 2024

The Honorable Glenn Youngkin  
Governor  
Commonwealth of Virginia  
Patrick Henry Building, 3<sup>rd</sup> floor  
1111 E. Broad Street  
Richmond, VA 23219

**Re: August 2024 Sports Betting Report**

Dear Governor Youngkin:

I am pleased to provide our report of legal sports betting activity for the month of August 2024, as required in Virginia Code § 58.1-4031 (2020).

During the month of August, eligible players wagered over \$416 million on sports activities across twelve mobile sports betting operators and three land-based casinos. August handle represented a 30.6% increase from August 2023.

Sports betting activity is taxed based on a permit holder's adjusted gross revenue. Adjusted gross revenue is calculated as wagers **minus** cash winnings, eligible noncash winnings during an operator's first twelve months of operation, voided and cancelled wagers, Federal excise taxes, and certain allowable adjustments. The adjusted gross revenue for operators may be negative for a month, and if so, that negative balance may be carried forward to the following month, for up to one year. 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, and the language included in the 2024 Appropriation Act (Chapter 2, 2024 Special Session I Virginia Acts of Assembly).

Virginia aggregate numbers:

	August Activity	FY25 YTD Total
Total wagers	\$416,689,216.55	\$794,330,688.75
Winnings	(\$376,545,350.13)	(\$709,220,728.67)
Noncash Winnings (eligible promotions)	(\$6,057.08)	(\$13,489.35)
Void and Cancelled wagers	(\$4,066,964.44)	(\$7,592,260.49)
Federal excise taxes	(\$1,010,737.93)	(\$1,923,575.50)
Adjustments	(\$76,166.74)	(\$223,380.27)
Total, Virginia Adjusted Gross Revenues	\$34,983,940.23	\$75,357,254.47

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For the month of August, ten operators reported cumulative positive taxable adjusted gross revenue. At the 15% statutory tax rate (Virginia Code § 58.1-4037), total sports betting tax collections in September were \$5,241,930.27. 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.

	September 2024	FY2025 YTD
General Fund	\$5,110,882.01	\$17,071,070.63
Problem Gambling Treatment and Support Fund	\$131,048.26	\$437,719.76
Total Taxes	\$5,241,930.27	\$17,508,790.39

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

Respectfully,



Khalid R. Jones

- c: The Honorable L. Louise Lucas, 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 John Littel, Chief of Staff, Office of the Governor
- The Honorable Stephen E. Cummings, Secretary of Finance
- Michael Maul, Director, Department of Planning & Budget
- Scott L. Adams, State Comptroller
- April Kees, Director, Senate Finance & Appropriations Committee
- Anne E. Oman, Staff Director, House Appropriations Committee
- Ferhan Hamid, Chairman, Virginia Lottery Board