



New Independent VIXIO Gambling Compliance Report Commissioned by Light & Wonder Estimates States Could Generate \$6.35 Billion in Annual Tax Revenue from Legal U.S. iGaming

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State Tax Revenue from iGaming Is Already Approaching Two Times that of Sports Betting

LAS VEGAS--([BUSINESS WIRE](#))--Light & Wonder, Inc. (NASDAQ: LNW) ("Light & Wonder," "L&W" or the "Company") today announced the release of an independent report, "U.S. iGaming State Tax Revenue Potential," which was created by VIXIO Gambling Compliance at the Company's request. The independent, first-of-its-kind report forecasts state-by-state projections of potential iGaming tax revenue in the United States. According to the report, states are projected to realize \$6.35 billion in annual tax revenue from the adoption of iGaming. These forecasts were developed by VIXIO independent of the Company.

VIXIO's report provides forecasts for the potential tax revenue that state governments could conservatively expect to earn if internet gaming, or iGaming, were legalized in each state that currently has either legal land-based casino gaming or online sports betting, or both. iGaming includes the operation of casino-style games such as slots and table games, offered via digital platforms through players' own devices. While sports betting involves betting on real-world sporting events either in retail locations or through mobile devices, iGaming is completely an online platform.

"VIXIO's report demonstrates that states are leaving billions of dollars in tax revenue on the table which could fund a variety of public programs and services without resorting to broad based taxes," said Howard Glaser, Global Head of Government Affairs of Light & Wonder. "The dozens of states that already have land-based casino gaming merely have to turn on the digital channel to realize tax revenues which are otherwise being siphoned off by the prevalence of illegal off-shore internet gaming."

As detailed in the report, if iGaming is legalized in all 42 states that currently allow land-based casinos or mobile sports betting, the potential size of the U.S. iGaming market alone could total over \$30 billion. VIXIO estimates this could translate to a combined \$6.35 billion in annual state tax revenue, assuming a 20 percent tax rate in newly authorized states. According to the American Gaming Association (AGA), the six states in which iGaming is currently legal generated \$970 million in gaming tax revenue in 2021, compared with \$560 million generated in the 30 states with sports betting. The states in which iGaming is currently authorized are Connecticut, Delaware, Michigan, New Jersey, Pennsylvania and West Virginia.

New York Senator Joseph Addabbo, Chair of the NY State Senate Racing, Gaming and Wagering Committee said, "New York is surrounded by iGaming states, namely New Jersey, Pennsylvania and Connecticut, which are witnessing hundreds of millions in annual revenue from iGaming. Those states have proven the model works and that iGaming can complement land-based casinos and ensure protections for players. When implemented safely and credibly, New York will also witness significant increases in revenue and educational funds from iGaming, while improving programs addressing gambling addiction. It makes no sense for New York to lose that revenue to neighboring states and the illegal offshore market."

Indiana Senator Jon Ford, recently installed President of the National Council of Legislators from Gaming States (NCLGS) said, "Indiana prides itself on taking a thoughtful, measured approach to gaming policy. With that in mind, we certainly recognize that iGaming, when structured properly, has the potential to attract a broader demographic, and to become a meaningful source of state tax revenue."

The independent report can be viewed or downloaded from the Light & Wonder website [here](#).

About Light & Wonder, Inc.

Light & Wonder, Inc. (formerly known as Scientific Games Corporation), is the global leader in cross-platform games and entertainment. The Company brings together 5,000 employees from six continents to connect content between land-based and digital channels with unmatched technology and distribution. Guided by a culture that values daring teamwork and creativity, the Company builds new worlds of play, developing game experiences loved by players around the globe. Its OpenGaming™ platform powers the largest digital-gaming network in the industry. The Company is committed to the highest standards of integrity, from promoting player responsibility to implementing sustainable practices. To learn more, visit [lnw.com](#).

About VIXIO Gambling Compliance

VIXIO Gambling Compliance is the leading provider of independent legal, regulatory and business intelligence to the global gaming

industry, based in London, Washington D.C., and Taipei. Through its platform and customized research solutions, VIXIO offers market participants, regulators, governments, and investors easily accessible and up-to-date information on market realities and a reliable and independent service to monitor legislative and regulatory developments.

Find out more at [VIXIO.com/gamblingcompliance](https://vixio.com/gamblingcompliance).

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