

Instructions for preparation of the Monthly Fantasy Contest Operator Tax Form

General: A fantasy contest operator in Michigan must remit to the Michigan Gaming Control Board (Board) the fantasy contest tax based on its monthly fantasy contest adjusted revenues. The fantasy contest tax is payable to the Board by the 20th day of each month and must be based on monthly fantasy contest adjusted revenue derived during the previous month.

NOTE: Enter all amounts, unless otherwise directed, in dollars and cents (i.e., 125.50 or 545.00). When necessary, round up or down to the nearest cent.

NOTE: In the Form Period field, enter the month and year for which you are reporting in an MM-YYYY format. For example, January 2020 is reported as 01-2020.

Line 1: Enter the total fantasy contest entry fees collected during the reporting period from all in-state participants, based on geolocation of the participant when the entry fee was collected.

Line 2: Enter the total fantasy contest entry fees collected during the reporting period from all participants.

Line 3: Calculate and enter the In-state Percentage (Line 1 divided by Line 2), rounded to the nearest tenth of a percent. Note: If using electronic form, this line will calculate automatically.

“In-state percentage” means, the percentage, rounded to the nearest tenth of a percent, equal to the total entry fees collected from all in-state participants divided by the total entry fees collected from all participants in the fantasy contest, unless otherwise prescribed by the Board.

Line 4: Enter the total fantasy contest entry fees collected from all participants, reported on Line 2. Note: If using electronic form, this line will populate automatically.

Line 5: Enter as a positive number the total of all sums paid out during the reporting period as prizes or awards to all fantasy contest participants.

Line 6: Calculate and enter the net revenue before applying In-state Percentage (Line 4 minus Line 5). Note: If using electronic form, this line will calculate automatically.

Line 7: Calculate and enter the fantasy contest adjusted revenue (Line 6 multiplied by Line 3). Note: If using electronic form, this line will calculate automatically.

“Fantasy contest adjusted revenues” means the amount equal to the total of all entry fees that a fantasy contest operator collects from all fantasy contest players minus the total of all sums paid out as prizes or awards to all fantasy contest players, multiplied by the in-state percentage.

Line 8: Calculate and enter the fantasy contest tax due for the reporting period. (Line 7 multiplied by the 8.4% (0.084) tax rate.) Note: If using electronic form, this line will calculate automatically.

Line 9: Enter a fantasy contest tax adjustment(s) that has been approved by the Board. (i.e., Do not enter an adjustment until it has been approved by the Board.) Adjustments may be needed to correct reporting errors from previous forms or to offset a credit balance from a prior period. If an operator is aware of a reporting error related to a form previously submitted, the operator must notify the Board in writing within five days of discovering the error. The notification must explain the error, how it was detected, the tax impact and potential tax adjustment needed to correct the error. Please include all documentation to support the error and potential tax adjustments. The Board will review to determine

whether any tax adjustments are needed. If so, the Board will notify the operator in writing of the tax adjustment that the operator can include on the next monthly tax form on Line 9.

Line 10: Calculate and enter the total fantasy contest tax due (Line 8 plus Line 9). This is the amount payable to the Board. Note: If using electronic form, this line will calculate automatically.

Filing: Once the Monthly Fantasy Contest Operator Tax Form is completed, please sign and date the form and submit with payment as follows:

1. Physical Check or Money Order: Mail the Monthly Fantasy Contest Operator Tax Form along with a check or money order made payable to “State of Michigan” to:

Michigan Gaming Control Board
C/O Michigan Fantasy Contest Fund
P.O. Box 30786
Lansing, MI 48909

Please include the “MI Fantasy Contest Tax MM-YYYY” in the memo line.

2. Wire Transfer: Email the Monthly Fantasy Contest Operator Tax Form to MGCBFinancialServices@michigan.gov. Wire the tax payment to the applicable account (as provided by the Board).

NOTE: Returns are required to be filed each month, whether or not a tax is incurred for that month.

NOTE: If a due date falls on a weekend or a holiday, the due date shifts to the first business day following the weekend or holiday.

Penalty: If a fantasy contest operator fails to remit the taxes to the Board, a penalty will be assessed of 5% per month, up to a maximum of 25%, of the amounts ultimately found to be due.