



## FAQs on Sports Betting, Online Betting and Fantasy Sports

### Legal Wagering: When, Where, How and Who

**Q: When can I legally wager on sports at the Detroit and tribal casinos?**

**A:** The MGCB authorized onsite sports betting at the Detroit casinos to begin at 1 p.m. March 11, 2020. The MGCB will not regulate onsite sports betting at tribal casinos, which is covered under federal law and the Tribal-State Class III Gaming Compacts between the tribal communities and the State of Michigan.

**Q: When can I legally wager on sports or play casino-style games (e.g. slots) online?**

**A:** The MGCB authorized the launch of online casino gaming and sports betting at noon on Friday, Jan. 22, 2021.

**Q: When can I legally participate in fantasy sports?**

**A:** You can do so now. The Fantasy Contests Consumer Protection Act allows companies that meet the [definition](#) of fantasy sports operators in Michigan on May 1, 2018, to continue to offer fantasy contests until the operator is issued or denied a license under the act provided these companies apply for licenses within 60 days after applications are made available.

The MGCB must promulgate rules before licenses can be issued to fantasy sports operators. We estimate rulemaking should be completed by early 2021.

The Detroit casinos and federally recognized Indian tribes which lawfully conduct Class III gaming are permitted to offer fantasy contests without applying for or holding a license.

**Q: Who can operate online sports betting and internet gaming?**

**A:** Online sports betting and internet gaming may be offered by the commercial casinos or by a tribe that operates a Class III casino in Michigan. A platform provider may offer services and equipment to facilitate processing of wagers on behalf of a commercial casino or tribe.

### Legal Age to Place Sports or Internet Wagers, Participate in Fantasy Sports

**Q: How old must I be to place a wager on sports or online casino-style games or participate in a fantasy contest?**

**A:** You must be 21 to place a wager on sports either in person or online, and you must be 21 to open an internet wagering account.

You must be 18 to participate in a fantasy sports contest.

## Events and Games Offered for Sports and Internet Wagering

### Q: What events will be available for sports betting?

A: The Lawful Sports Betting Act authorizes the MGCB to approve wagering on any amateur or professional athletic event or other event not prohibited by state or federal law. However, youth or high school athletic events are prohibited.

The MGCB offers an approved [sports betting catalog](#) on the agency's website.

### Q: What types of games will an internet gaming operator be allowed to offer?

A: The administrative rules will address the types of games an internet gaming operator may offer. Authorized games may include, but are not limited to, poker, blackjack, cards, slots and other games typically offered at a casino.

## Fantasy Sports

### Q: Do I have to be in Michigan to participate in fantasy sports?

A: If you have an account with a fantasy sports provider, you may be able to participate outside of Michigan subject to any applicable account restrictions.

### Q: Does the law allow an exception for home-based fantasy sports contests?

A: Michigan law ([PA 157 of 2019](#)) does allow an individual to offer one or more fantasy contests from his or her private residence if:

- The contests are not made available to the general public
- Each contest is limited to no more than 15 total fantasy contest players
- The individual collects no more than \$10,000 in total entry fees for all fantasy contests offered in a calendar year
- At least 95 percent of entry fees are awarded to the fantasy contest players

The MGCB will not regulate these fantasy contests.

## Tribal Betting Regulation

### Q: Does the MGCB regulate any part of tribal online betting?

A: Yes. A tribe can get an online sports betting operator's license or a lawful internet gaming license from the MGCB. A third party, or platform provider, must obtain a license from the MGCB to work with the tribes. The MGCB also will license other types of suppliers to the tribes who support online sports betting and online gambling such as geotracking firms.

Michigan law does not govern an onsite tribal sports book (except as provided for in federal law). The MGCB will have oversight authority over compliance with any provisions of a Tribal-State Class III Gaming Compact that apply to an onsite tribal sports book.

## **Taxes and Payments**

### **Q: What tax rate is paid by the Detroit casinos for onsite sports betting?**

**A:** The tax rate is 8.4 percent. The Detroit casinos also may be required to pay a municipal services fee and a development agreement payment to the city of Detroit.

### **Q: What tax/payment rates are paid by the casinos and tribes for internet sports betting?**

**A:** The rate is 8.4 percent. The Detroit casinos also may be required to pay a municipal services fee and a development agreement payment to the city of Detroit.

### **Q: What is the tax/payment rate paid by the casinos and tribes for internet gaming?**

**A:** The rate ranges from about 20 percent to 28 percent based on adjusted gross receipts. The Detroit casinos also may be required to pay a municipal services fee and a development agreement payment to the city of Detroit.

### **Q: What's the tax rate paid by fantasy sports contest operators?**

**A:** A fantasy contest operator pays an 8.4 percent tax on its monthly fantasy contest adjusted revenues unless it meets one of the very narrow exceptions in the act. The tax revenue is deposited into the Fantasy Contest Fund.

### **Q: Is an online sports betting wager subject to taxes/payments as both a sports bet and an online bet?**

**A:** No wager will be subject to taxes/payments twice. The state will collect taxes/payments on sports betting at a rate of 8.4 percent regardless of how wagers are placed.

## **Tax Allocations**

### **Q: How are the taxes/payments allocated for online sports betting and internet gaming?**

**A:** For the Detroit casinos, online sports betting and internet gaming taxes are allocated:

- 30 percent to the city of Detroit
- 5 percent to the Michigan Agriculture Equine Industry Development Fund (up to \$3 million per year from each tax source)
- 65 percent to the state Internet Sports Betting Fund or the state Internet Gaming Fund
- For internet gaming, a hold-harmless provision seeks to help the city recoup lost gaming tax revenue if the city of Detroit collects less than \$183 million in a fiscal year

For the tribal casinos:

- Online Sports Betting: Payments by tribes are allocated to Internet Sports Betting Fund (90 percent) and Michigan Strategic Fund (10 percent)
- Internet Gaming: Payments by tribes are allocated 20 percent to local jurisdiction governing body for services, 70 percent to the state Internet Gaming Fund and 10 percent to the Michigan Strategic Fund.

### **Internet Sports Betting Fund/Internet Gaming Fund**

Other money collected under these acts will be used for:

- Appropriated funding for MGCB
- The Compulsive Gaming Prevention Fund
- The First Responder Presumed Coverage Fund
- The State School Aid Fund

### **Q: Where are the fantasy contest taxes allocated?**

**A:** The MGCB receives appropriated money from the Fantasy Contest Fund for its regulatory and enforcement expenses. All remaining money will go to the State School Aid Fund.

## **Problem and Compulsive Gambling**

### **Q: Will there be tools available to assist problem and compulsive gamblers?**

**A:** Yes. The various laws include provisions for self-exclusion programs and funding for the state's Compulsive Gaming Prevention Fund. If you need assistance with a gambling problem, please call the Michigan Problem Gambling Helpline at 800-270-7117.

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