



ILLINOIS GAMING BOARD

JB Pritzker • Governor • Marcus D. Fruchter • Administrator

160 North LaSalle ♠ Suite 300 ♣ Chicago, Illinois 60601 ♥ tel 312/814-4700 ♦ fax 312/814-4602

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To All Illinois Sports Wagering Operators:

On May 31, 2025, the Illinois General Assembly amended the Sports Wagering Act (“Act”) to impose a new per wager privilege tax on all online sports wagers, beginning July 1, 2025. The per wager tax became law on June 17, 2025, as part of Public Act 104-0006. *See*, 230 ILCS 45/25-90 (d-7).

On June 17, 2025, the Illinois Gaming Board (“IGB”) issued a set of FAQs to all Illinois sports wagering operators to help facilitate the orderly implementation and collection of the new per wager tax. The IGB received inquiries regarding public announcements that sports wagering operators may begin charging Illinois patrons transaction fees on some or all online wagers. Accordingly, the IGB is issuing the following addendum to the June 17, 2025 FAQs to address these questions:

REPORTING AND ACCOUNTING

Can an operator withhold the tax from a winning bet, or apply a fee to a patron?

Illinois law does not prohibit operators from implementing fees related to the placement of online sports wagers. However, doing so will impact Adjusted Gross Sports Wagering Receipts (“AGSWR”). The IGB will issue an updated SMR-1 Sports Wagering Monthly Receipts tax schedule form (“SMR-1”) prior to the reporting deadline for July 2025 monthly receipts. The updated SMR-1 will include a method for reporting both the per wager tax, as well as any additional gross sports wagering receipts.

Instructions for the updated SMR-1 are as follows:

Per Wager Tax

The per wager tax is displayed on both the Online Statewide Tax Detail page and the Tax Summary page. This tax is automatically calculated based on the number of Tier 1 and Tier 2 wagers entered in the online monthly wagering activity sections. No additional information needs to be provided by the licensee.

Other Gross Sports Wagering Receipts

The SMR-1 includes a field for Other Gross Sports Wagering Receipts on both the Online Statewide Tax Detail and Online Cook County Detail pages. This field shall be used to record any additional gross sports wagering receipts received from patrons that are not already reflected in the sport-specific gross receipts

handle fields. These fields should be used for any additional revenue received in relation to the conduct of sports wagering. This includes, but is not limited to:

- *Per wager fees not already reflected in the handle fields.*
- *Deductions or withholdings from patron winning wagers not already reflected in the payout fields.*
- *Subscription or service fees received from patrons in connection to any activity related to online sports wagering.*

Subscription or service fees received from patrons that are not attributable to the placement or outcome of specific wagers shall be reported on the Online Statewide Tax Detail page. All per wager fees or deductions from winnings shall be reported on the Statewide Tax Detail page. Per wager fees or deductions from winnings shall additionally be reported on the Online Cook County Detail page if the patron was located in Cook County at the time the applicable wager was placed.

If you have further operator specific questions, please email Jared Smith, Deputy Administrator for Gaming Controls & Technology at jared.smith@illinois.gov.