

November 13, 2024

## Louisiana 51% Sports Betting Tax Hike Bill Withdrawn

In positive news for **DKNG**, **CZR**, **MGM** and **PENN**, Louisiana state Rep. Roger Wilder (R) withdrew his bill this morning that would hike taxes on sports gambling from 15% to 51%. Yesterday, we wrote [here](#) that didn't believe this tax increase was going to pass in the Louisiana special session, which is scheduled to end on November 26.

Wilder announced he would withdraw the bill at a Ways and Means Committee hearing earlier today. He did mention that he would likely reintroduce his legislation at a lower tax rate, but we doubt that given the short amount of time left in the special session that any potential new bill is passed this year.

We might have seen a glimpse of his potential new rate might be during the hearing. He said that the impetus for the bill was the 32.5% tax rate currently in place for slot machines in places like gas stations.

Given the casinos' power in the state, we'd be surprised if a 32.5% tax were to pass in the near term. However, investors will likely have to contend with, at a minimum, headline risk from various states threatening to increase taxes on the gambling industry.

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### DraftKings Inc (DKNG)

|               |         |
|---------------|---------|
| Price:        | \$42.37 |
| 52-Week High: | \$49.57 |
| 52-Week Low:  | \$28.69 |

### Caesars Entertainment Corporation (CZR)

|               |         |
|---------------|---------|
| Price:        | \$39.52 |
| 52-Week High: | \$50.51 |
| 52-Week Low:  | \$31.74 |

### MGM Resorts International (MGM)

|               |         |
|---------------|---------|
| Price:        | \$37.64 |
| 52-Week High: | \$48.24 |
| 52-Week Low:  | \$33.44 |

### Penn National Gaming Inc (PENN)

|               |         |
|---------------|---------|
| Price:        | \$21.46 |
| 52-Week High: | \$27.20 |
| 52-Week Low:  | \$13.50 |

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