

Revenues Dip Again for 4th Month in Row

Colorado casinos experienced another double-digit percentage decrease in revenues in April. Gaming establishments statewide totaled \$58.7 million in AGP in April, down 7.1 percent from nearly \$63.2 million in March and down 12.5 percent from \$67.0 million in April 2007. Revenues have dipped the first four months of the year.

Black Hawk's 20 casinos reported \$42.3 million in AGP in April, down 7.6 percent from \$45.8 million in March and down 11.7 percent from \$47.9 million in April 2007. Cripple Creek's 15 casinos produced \$10.7 million in AGP in April, a decrease of 6.4 percent from \$11.4 million the previous month and a decrease of 13.3 percent from \$12.3 million from April 2007. Central City's six casinos generated \$5.6 million in AGP in April, down 4.2 percent from \$5.9 million in March and down 16.7 percent from \$6.8 million the previous April.

Casinos statewide paid nearly \$10.2 million in gaming tax proceeds in April, down from \$10.8 million in March.

Commission Action

At its meeting on April 17 in Lakewood, the Gaming Commission:

- Renewed the retail licenses of Black Hawk Station, Imperial Hotel & Casino Corp., and The Wild Card Saloon
- Renewed the manufacturer/distributor license of Western Money Systems, Inc.

Mid-Sized Casinos Get Relief

The Colorado Limited Gaming Control Commission on May 22 amended the gaming tax structure for the upcoming fiscal year starting on July 1. The tax structure was changed to 0.25% on the first \$2 million in AGP, 2% on \$2 million to \$5 million, 9% on \$5 million to \$8 million, 11% on \$8 million to \$10 million, 16% on \$10 million to \$13 million in AGP and 20% above \$13 million.

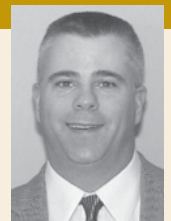
The effect of the tax rate change is that casinos making between \$4.0 million to \$15.0 million dollars will pay reduced taxes. Casinos making less than \$4.0 million, or more than \$15.0 million, will pay the same amount of taxes. The Division of Gaming estimates that the combined tax savings for casinos making between \$4.0 million and \$15.0 million amounts to approximately \$824,000.

The threshold for the 20% bracket was lowered from \$15.0 million to \$13.0 million, making it appear as if casinos making more than \$13.0 million are being taxed more. When casinos reach the \$13.0 million mark, they will have paid \$80,000 less in taxes. The additional 4% paid on revenues between \$13.0 million and \$15.0 million offsets that \$80,000 savings, making the new tax structure neutral for those casinos earning above \$15.0 million.

MESSAGE FROM THE DIRECTOR

The Gaming Commission this tax setting session did something it hasn't done since 1999, change the tax rates. The Commission did so in part due to the tremendous amount of work put in by Division staff and the Commission's independent CPA consultants at Anton Collins Mitchell LLP (ACM) in the gathering, analysis and re-analysis of an extraordinary amount of data. I would like to commend Division employees Roger Pinson, Jennifer Spillane and Shannon Voth, along with ACM partner Stacey Hekkert and her staff, for their time and effort in giving the Commission a thorough analysis of casino financial statement data. More analysis went into the data this year than in the past to provide the Commission with the information it needed to make its decision to restructure the tax rates.

The Commission also did its part in putting a lot of effort in looking at the financial health of the industry. Everyone would agree that the smoking ban and the economy have changed the playing field for the casino industry, so the Commission had extra factors to take into consideration this year. In the end, the Commission took seriously its statutory charge of balancing the financial needs of the industry with the financial needs of the recipients of the Limited Gaming Fund by approving a targeted tax relief to mid-sized casinos that would result in a modest reduction in gaming tax revenues based on forecasts. Although the Commission did not unanimously agree on the new tax structure, all Commissioners agreed that tax revenues would likely decrease next fiscal year no matter what tax strategy was implemented. In the end, that's the only analysis that didn't require much effort.



—Ron Kammerzell

COLORADO STATE GAMING STATISTICS

	<u>April 2008</u>	<u>March 2008</u>	<u>April 2007</u>	<u>Tax Year To Date</u>
1¢ SLOTS	7,360	7,345	6,793	72,140
COINS IN	281,207,633.79	302,056,281.89	295,531,943.01	3,047,753,401.81
AGP	26,379,506.00	28,569,059.60	27,322,865.33	284,985,608.07
AVG DAILY AGP	119.47	128.73	134.18	130.33
HOLD %	9.38%	9.46%	9.25%	9.35%
5¢ SLOTS	1,333	1,432	1,992	16,102
COINS IN	50,286,474.15	56,971,607.49	81,725,149.47	660,292,673.60
AGP	3,508,520.90	3,845,393.85	5,395,986.69	44,103,435.07
AVG DAILY AGP	87.73	88.88	90.36	90.37
HOLD %	6.98%	6.75%	6.60%	6.68%
25¢ SLOTS	2,465	2,502	3,042	26,241
COINS IN	127,884,890.41	136,521,282.44	182,272,159.00	1,532,358,374.85
AGP	7,022,463.44	7,432,933.89	9,380,061.68	81,662,393.07
AVG DAILY AGP	94.96	98.32	102.86	102.67
HOLD %	5.49%	5.44%	5.15%	5.33%
\$1 SLOTS	2,365	2,359	2,576	23,975
COINS IN	201,686,458.00	214,052,763.27	242,540,413.00	2,261,049,687.86
AGP	9,891,413.64	10,954,692.31	12,507,302.70	112,081,597.09
AVG DAILY AGP	139.41	153.70	161.97	154.24
HOLD %	4.90%	5.12%	5.16%	4.96%
\$5 SLOTS	227	222	241	2,403
COINS IN	30,487,408.00	31,378,085.00	37,537,555.00	350,926,832.76
AGP	1,479,175.65	1,513,086.02	1,798,447.82	16,393,015.37
AVG DAILY AGP	217.21	225.58	248.94	225.07
HOLD %	4.85%	4.82%	4.79%	4.67%
OTHER SLOTS*	2,464	2,436	2,149	22,962
COINS IN	148,177,314.78	153,923,639.64	139,811,770.65	1,552,221,080.59
AGP	7,997,755.81	8,205,668.21	8,129,656.27	84,100,311.61
AVG DAILY AGP	108.19	111.49	126.20	120.84
HOLD %	5.40%	5.33%	5.81%	5.42%
BJ TABLES	66	67	66	662
BJ DROP	2,898,107.70	3,269,847.20	3,022,015.60	31,139,802.79
AGP	587,407.45	660,468.45	638,617.35	6,208,396.54
AVG DAILY AGP	296.67	326.26	322.78	309.41
HOLD %	20.27%	20.20%	21.13%	19.94%
POKER TABLES	149	152	148	1,525
POKER DROP	2,401,987.00	2,716,395.00	2,520,103.05	25,630,017.88
AGP	1,844,861.00	2,011,261.25	1,913,016.30	19,310,446.19
AVG DAILY AGP	412.72	412.72	431.19	417.77
HOLD %	22.52%	22.52%	22.05%	22.90%
TOTAL AGP	58,711,103.89	63,192,563.58	67,085,954.14	648,845,203.01
GAMING TAXES	10,162,973.97	10,809,726.41	11,566,439.17	86,359,140.16
# OF CASINOS	41	42	44	44
AVG. DAYS OPEN	30.00	30.21	29.98	30.31
*10¢, 50¢, \$2 and Multi-Denomination Slots				

CRIPPLE CREEK GAMING STATISTICS

	<u>April 2008</u>	<u>March 2008</u>	<u>April 2007</u>	<u>Tax Year To Date</u>
1¢ SLOTS	1,768	1,727	1,581	16,998
COINS IN	54,140,457.26	56,125,644.46	51,040,497.11	582,081,442.06
AGP	4,401,683.19	4,579,122.12	4,403,646.44	47,945,354.47
AVG DAILY AGP	82.99	85.53	93.02	92.97
HOLD %	8.13%	8.16%	8.63%	8.24%
5¢ SLOTS	381	386	554	4,239
COINS IN	10,686,037.55	12,181,412.25	15,245,454.70	131,483,584.75
AGP	677,243.22	780,392.56	1,020,219.63	8,294,671.62
AVG DAILY AGP	59.25	65.22	61.50	64.49
HOLD %	6.34%	6.41%	6.69%	6.31%
25¢ SLOTS	750	762	887	7,743
COINS IN	32,374,075.75	33,067,838.97	38,944,169.75	380,092,373.97
AGP	1,517,842.95	1,548,975.91	1,843,547.16	18,094,236.99
AVG DAILY AGP	67.46	65.57	69.41	77.02
HOLD %	4.69%	4.68%	4.73%	4.76%
\$1 SLOTS	809	790	871	8,102
COINS IN	47,000,658.00	50,242,901.00	56,797,124.00	556,520,040.73
AGP	2,221,962.10	2,656,689.23	2,910,059.17	26,984,820.08
AVG DAILY AGP	91.55	108.48	111.58	109.78
HOLD %	4.73%	5.29%	5.12%	4.85%
\$5 SLOTS	38	33	38	343
COINS IN	3,544,870.00	4,005,215.00	4,771,505.00	45,583,370.00
AGP	191,262.20	196,970.25	281,182.54	2,281,853.10
AVG DAILY AGP	167.77	192.54	247.11	219.27
HOLD %	5.40%	4.92%	5.89%	5.01%
OTHER SLOTS*	726	719	734	6,736
COINS IN	26,585,507.19	26,430,484.38	27,579,525.86	280,033,803.75
AGP	1,429,414.10	1,354,646.90	1,564,775.36	15,101,203.43
AVG DAILY AGP	65.63	60.78	71.19	73.89
HOLD %	5.38%	5.13%	5.67%	5.39%
BJ TABLES	12	12	17	145
BJ DROP	310,101.50	344,797.90	350,918.50	3,817,575.40
AGP	53,313.00	72,381.90	74,809.50	718,484.40
AVG DAILY AGP	148.09	194.58	146.96	163.32
HOLD %	17.19%	20.99%	21.32%	18.82%
POKER TABLES	27	29	30	305
POKER DROP	266,350.50	277,220.00	262,393.00	2,952,516.00
AGP	214,575.00	254,559.00	246,791.00	2,631,679.00
AVG DAILY AGP	264.91	283.16	274.72	284.39
HOLD %	15.44%	19.36%	20.89%	19.55%
TOTAL AGP	10,707,295.76	11,443,737.87	12,345,030.80	122,052,303.09
GAMING TAXES	1,315,209.62	1,326,762.71	1,522,711.63	7,828,347.99
# OF CASINOS	16	15	18	18
AVG. DAYS OPEN	30.00	31.00	29.94	30.34
*10¢, 50¢, \$2 and Multi-Denomination Slots				

BLACK HAWK GAMING STATISTICS

	<u>April 2008</u>	<u>March 2008</u>	<u>April 2007</u>	<u>Tax Year To Date</u>
1¢ SLOTS	4,638	4,705	4,303	45,715
COINS IN	197,234,467.22	214,982,317.33	204,907,424.29	2,116,866,302.86
AGP	19,162,393.42	21,040,271.29	19,505,119.34	205,606,395.89
AVG DAILY AGP	137.72	144.49	151.10	148.00
HOLD %	9.72%	9.79%	9.52%	9.71%
5¢ SLOTS	736	805	1,084	9,118
COINS IN	34,298,016.30	38,877,075.49	57,966,215.19	464,256,134.21
AGP	2,485,866.10	2,704,080.76	3,831,733.20	31,600,464.00
AVG DAILY AGP	112.58	108.53	117.83	114.04
HOLD %	7.25%	6.96%	6.61%	6.81%
25¢ SLOTS	1,345	1,360	1,703	14,732
COINS IN	81,120,415.66	88,384,063.72	124,247,592.75	1,002,371,425.63
AGP	4,765,715.49	5,042,798.31	6,486,677.80	55,502,168.43
AVG DAILY AGP	118.11	119.80	126.97	123.97
HOLD %	5.87%	5.71%	5.22%	5.54%
\$1 SLOTS	1,258	1,255	1,394	12,919
COINS IN	132,663,980.00	140,797,903.27	160,115,843.00	1,466,963,903.13
AGP	6,735,394.36	7,423,223.89	8,473,743.46	75,160,312.31
AVG DAILY AGP	178.47	191.11	202.62	191.44
HOLD %	5.08%	5.27%	5.29%	5.12%
\$5 SLOTS	159	158	177	1,697
COINS IN	25,412,823.00	25,731,215.00	31,351,290.00	288,902,967.76
AGP	1,220,622.96	1,227,634.49	1,437,358.26	13,169,425.62
AVG DAILY AGP	255.90	251.04	270.69	255.36
HOLD %	4.80%	4.77%	4.58%	4.56%
OTHER SLOTS*	1,484	1,466	1,287	13,901
COINS IN	109,156,339.69	114,709,067.34	104,458,394.74	1,142,612,433.87
AGP	5,988,553.18	6,256,245.92	6,180,914.73	62,676,050.63
AVG DAILY AGP	134.51	137.89	160.09	148.36
HOLD %	5.49%	5.45%	5.92%	5.49%
BJ TABLES	44	44	40	416
BJ DROP	2,280,591.65	2,576,670.70	2,360,981.60	24,018,876.09
AGP	490,243.40	537,384.70	523,566.35	5,006,204.34
AVG DAILY AGP	371.40	394.61	436.31	395.99
HOLD %	21.50%	20.86%	22.18%	20.84%
POKER TABLES	102	101	98	1,018
POKER DROP	1,900,615.25	2,173,887.75	1,939,949.05	19,999,965.60
AGP	1,474,568.50	1,587,525.75	1,486,413.30	14,923,097.61
AVG DAILY AGP	481.89	507.85	505.58	482.37
HOLD %	23.51%	21.39%	22.50%	23.12%
TOTAL AGP	42,323,357.41	45,819,165.11	47,925,526.44	463,644,118.83
GAMING TAXES	7,904,632.16	8,506,696.37	8,921,963.91	71,108,510.98
# OF CASINOS	19	20	20	20
AVG. DAYS OPEN	30.00	30.95	30.00	30.39
*10¢, 50¢, \$2 and Multi-Denomination Slots				

CENTRAL CITY GAMING STATISTICS

	<u>April 2008</u>	<u>March 2008</u>	<u>April 2007</u>	<u>Tax Year To Date</u>
1¢ SLOTS	954	913	909	9,427
COINS IN	29,832,709.31	30,948,320.10	39,584,021.61	348,805,656.89
AGP	2,815,429.39	2,949,666.19	3,414,099.55	31,433,857.71
AVG DAILY AGP	98.37	122.24	125.20	111.45
HOLD %	9.44%	9.53%	8.62%	9.01%
5¢ SLOTS	216	241	354	2,745
COINS IN	5,302,420.30	5,913,119.75	8,513,479.58	64,552,954.64
AGP	345,411.58	360,920.53	544,033.86	4,208,299.45
AVG DAILY AGP	53.30	56.67	51.23	51.24
HOLD %	6.51%	6.10%	6.39%	6.52%
25¢ SLOTS	370	380	452	3,766
COINS IN	14,390,399.00	15,069,379.75	19,080,396.50	149,894,575.25
AGP	738,905.00	841,159.67	1,049,836.72	8,065,987.65
AVG DAILY AGP	66.57	83.76	77.42	71.58
HOLD %	5.13%	5.58%	5.50%	5.38%
\$1 SLOTS	298	314	311	2,954
COINS IN	22,021,820.00	23,011,959.00	25,627,446.00	237,565,744.00
AGP	934,057.18	874,779.19	1,123,500.07	9,936,464.70
AVG DAILY AGP	104.48	105.41	120.42	112.42
HOLD %	4.24%	3.80%	4.38%	4.18%
\$5 SLOTS	30	31	26	363
COINS IN	1,529,715.00	1,641,655.00	1,414,760.00	16,440,495.00
AGP	67,290.49	88,481.28	79,907.02	941,736.65
AVG DAILY AGP	74.77	108.00	102.44	86.71
HOLD %	4.40%	5.39%	5.65%	5.73%
OTHER SLOTS	254	251	128	2,325
COINS IN	12,435,467.90	12,784,087.92	7,773,850.05	129,574,842.97
AGP	579,788.53	594,775.39	383,966.18	6,323,057.55
AVG DAILY AGP	76.09	89.66	99.99	90.90
HOLD %	4.66%	4.65%	4.94%	4.88%
BJ TABLES	10	11	9	101
BJ DROP	307,414.55	348,378.60	310,115.50	3,303,351.30
AGP	43,851.05	50,701.85	40,241.50	483,707.80
AVG DAILY AGP	146.17	174.40	149.04	160.07
HOLD %	14.26%	14.55%	12.98%	14.64%
POKER TABLES	20	22	20	202
POKER DROP	235,021.25	265,287.25	317,761.00	2,677,536.28
AGP	155,717.50	169,176.50	179,812.00	1,755,669.58
AVG DAILY AGP	259.53	290.97	299.69	290.49
HOLD %	22.50%	21.91%	20.28%	24.97%
TOTAL AGP	5,680,450.72	5,929,660.60	6,815,396.90	63,148,781.09
GAMING TAXES	943,132.19	976,267.33	1,121,763.63	7,422,281.19
# OF CASINOS	6	7	6	6
AVG. DAYS OPEN	30.00	26.43	30.00	29.92
*10¢, 50¢, \$2 and Multi-Denomination Slots				

APRIL AGP BY DEVICE

Statewide

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	16,214	\$56,278,835	\$115.70	6.70%
Tables	215	\$2,432,269	\$377.10	21.29%
TOTAL	16,429	\$58,711,104	\$119.12	6.94%

Cripple Creek

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	4,472	\$10,439,408	\$77.81	5.99%
Tables	39	\$267,888	\$228.96	16.38%
TOTAL	4,511	\$10,707,296	\$79.12	6.12%

Black Hawk

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	9,620	\$40,358,545	\$139.84	6.96%
Tables	146	\$1,964,812	\$448.59	22.41%
TOTAL	9,766	\$42,323,357	\$144.46	7.25%

Central City

<u>Device</u>	<u>Number</u>	<u>AGP</u>	<u>Avg. Daily AGP/Device</u>	<u>Hold %</u>
Slots	2,122	\$5,480,882	\$86.10	6.41%
Tables	30	\$199,569	\$221.74	17.83%
TOTAL	2,152	\$5,680,451	\$87.99	6.60%

Average daily AGP per device is calculated by dividing the total AGP by the number of devices, further divided by the average number of days open for all establishments open in April. Hold percentage does not include player-banked poker tables.

GAMING ♦ UPDATE

DATES TO REMEMBER

- ✓ June 16 • May gaming tax returns due
- ✓ June 19 • Gaming Commission meeting, Lakewood

JUNE 2008

COLORADO DEPT OF REVENUE
DIVISION OF GAMING
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