

# Gaming Taxes & Fees

When gaming was legalized in Mississippi in 1992, a taxing formula also was adopted to ensure that residents throughout the State, regardless of location, enjoyed the benefits of the taxes that casinos pay. Under the formula, each casino's gross gaming revenue is taxed at a rate of about 12%. Of that, 8% goes to the State of Mississippi's general fund, 3.2% goes to the city in which the casino operates and 0.8% goes to the county. The gross gaming revenue tax is distributed in Biloxi as follows:

- 40% City General Fund
- 20% Biloxi Public School District
- 10% Harrison County Public School District
- 20% City Public Safety
- 10% Harrison County Public Safety

In addition to the taxes on gross gaming revenue, the State, City and County annually receive licensing and permit fees from each casino.

In Mississippi, each casino's gross gaming revenue is proprietary information however, the State requires every casino to report it monthly and the City of Biloxi requires the same information from each casino located within its municipal boundaries. The monthly reports submitted to the City of Biloxi are updated by the 20th of each month and are posted on the City's website.

## Gulf Coast Gaming Visitor Detail (First Quarter Comparisons)

	FY11	FY09	FY07	FY05
Quarter Total # Patrons	3.90m	4.09m	4.27m	6.13m
From Mississippi	25.42%	25.53%	25.69%	23.67%
From Alabama	14.93%	14.45%	14.27%	14.61%
From Florida	15.20%	15.75%	18.61%	19.82%
From Louisiana	22.44%	21.71%	21.66%	14.27%

Source: Mississippi Gaming Commission Quarterly Surveys

As reported in the Mississippi Gaming Commission's Gulf Coast Gaming Visitor Detail Reports, the largest percentage of local casino visitors consistently comes from the State of Mississippi. In the past five years, there has been an 8.2% increase in the number of casino patrons from Louisiana and a 4.62% decrease in visitors from Florida, while the percentage of Alabama visitors has remained relatively the same.

## Gulf Coast Casino Hotel Lodging (First Quarter Comparisons)

	# of Casinos With Hotels	Total # Rooms	# Hotel Employees	% Occupancy	Average Daily Rate
FY11	9	5,564	1,182	81.82%	\$73.83
FY09	9	5,559	1,363	84.68%	\$73.64
FY07	9	5,084	1,641	86.56%	\$71.37
FY05	9	7,011	2,616	86.43%	\$64.49

Source: Mississippi Gaming Commission Quarterly Surveys

## Biloxi Casinos

### Beau Rivage Resort & Casino

875 Beach Boulevard  
www.beaurivage.com  
386-7111

- # Employees . . . . . 2,366
- # Hotel Employees . . . . . 435
- Gaming Square Footage . . . . . 76,715
- Other Square Footage . . . . . 2,150,000
- # Slot Games . . . . . 1,997
- # Table Games . . . . . 88
- # Poker Games . . . . . 16



AAA Four Diamond resort. Hotel, restaurants, retail, convention center, showroom, Fallen Oak, a Tom Fazio designed 18-hole Golf Course, spa and salon, arcade

Beau Rivage was named one of the top 100 hotels in the continental U.S. and Canada by "Travel + Leisure." The Beau's sommelier, Mark Warren, is Mississippi's only Advanced Level sommelier, according to "Wine Spectator."

## Gross Gaming Revenues Generated by Biloxi Casinos

### Calendar Years 2005-2011

2011*	\$ 568.4m
2010	\$ 830.8m
2009	\$ 833.5m
2008	\$ 951.2m
2007	\$1,007b
2006	\$ 845.2m
2005	\$ 657.2m

\*January – August 2011

Source: Mississippi Sales Tax Commission

*"This year's State of the States Report confirms that there's good reason to be optimistic about the future of gaming. The industry has made tough choices and implemented new strategies to persevere. As a result, casinos across 22 states continue to make significant contributions to the U.S. economy," stated Frank Fahrenkopf, President of the American Gaming Association, about the 2011 AGA report released in May 2011.*

- The 2011 Southern Gaming Summit and Bingo World Conference in Biloxi was the largest casino show in the country outside Las Vegas.
- Isle of Capri Casinos Inc., parent company of the Isle Casino Biloxi, is the only top 10 publicly traded casino company to have a female president.
- Mississippi has the third lowest casino tax rate in the U.S. and Larry Gregory, former Mississippi Gaming Commission Executive Director, said "That entices businesses... it also promotes jobs."



**Boomtown Casino**

676 Bayview Avenue  
 www.boomtownbiloxi.com  
 432-7290

# Employees	591
# Hotel Employees	NA
Gaming Square Footage	51,665
Other Square Footage	90,785
# Slot Games	1,169
# Table Games	18
# Poker Game	5

Restaurants, bakery, entertainment stage

**Grand Biloxi Casino Hotel & Spa**

280 Beach Boulevard  
 www.grandbiloxi.com  
 436-2946

# Employees	774
# Hotel Employees	76
Gaming Square Footage	28,785
Other Square Footage	453,520
# Slot Games	735
# Table Games	32
# Poker Games	—

Hotel, restaurants, Grand Bear, an 18-hole Jack Nicklaus Signature Golf Course, spa and salon, and lobby bar

**Hard Rock Hotel & Casino Biloxi**

777 Beach Boulevard  
 www.hardrockbiloxi.com  
 374-7625

# Employees	778
# Hotel Employees	117
Gaming Square Footage	53,800
Other Square Footage	126,200
# Slot Games	1,268
# Table Games	52
# Poker Games	6

Four Diamond-rated Hotel, plus restaurants, showroom entertainment, retail, spa and salon, meeting space.

Rock 'n' roll memorabilia is displayed throughout the resort.

**IP Casino Resort Spa**

850 Bayview Avenue  
 www.ipbiloxi.com  
 436-3000

# Employees	1,659
# Hotel Employees	212
Gaming Square Footage	75,790
Other Square Footage	118,354
# Slot Games	1,894
# Table Games	62
# Poker Games	14

AAA Four Diamond resort. Hotel, restaurants, convention center, showroom, retail and banquet facilities, spa and salon, arcade, Shell Landing, IP's preferred golf course

IP's thirty-two restaurant has won the "Wine Spectator" Award of Excellence three years in a row and the "Wine Enthusiast" Award of Distinction twice.

**Isle Casino Hotel**

151 Beach Boulevard  
 www.theislebiloxi.com  
 800-843-4753

# Employees	621
# Hotel Employees	38
Gaming Square Footage	57,252
Other Square Footage	675,952
# Slot Games	1,219
# Table Games	27
# Poker Games	9

Hotel, restaurants, live entertainment, spa, and meeting space

**Palace Casino Resort**

154 Howard Avenue  
 www.palacecasinoresort.com  
 432-8888

# Employees	530
# Hotel Employees	74
Gaming Square Footage	6,260
Other Square Footage	9,500
# Slot Games	773
# Table Games	15
# Poker Games	—

Hotel, restaurants, bakery, The Preserve Golf Club, recognized by "Golfweek" and "Golf Digest" as one of America's Best New Courses

*As of June 2011, the Palace Casino Resort became the first smoke-free casino in Mississippi, restricting smoking to a new \$1 million smoking lounge.*

**Treasure Bay Casino & Hotel**

1980 Beach Boulevard  
 www.treasurebay.com  
 385-6000

# Employees	562
# Hotel Employees	17
Gaming Square Footage	24,557
Other Square Footage	715
# Slot Games	803
# Table Games	22
# Poker Games	—

Hotel, restaurants, live entertainment, gift shop

Source of employee information, gaming space footage, and games: Mississippi Gaming Commission Quarterly Survey, First Quarter 2011



## Biloxi Casino Expansions, Acquisitions and New Construction

During the summer of 2011, the **Palace Casino** completed a major renovation and expansion project, valued at more than \$45 million, that adds more table games and hundreds of new slot machines, and boasts three new restaurants that open directly onto the new casino floor. With smoking restricted to a new \$1 million smoking lounge that has its own heating and air conditioning system, the casino, hotel, restaurants, retail areas and lounge/sports bar will be smoke-free.

In 2010, the **Hard Rock Hotel & Casino Biloxi** invested approximately \$1.3 million in property renovations and **IP Casino Resort Spa** completed renovations estimated at \$1.4 million.

In June 2011, **Boyd Gaming Corporation** announced that it is buying **IP Casino Resort Spa** for \$278 million and will invest another \$44 million in improvements within 12 months of closing. As a part of the sales agreement, Boyd also will contribute \$10 million to the Engelstad Family Foundation for Biloxi area charitable organizations, to be distributed over the next five years.

Construction is under way at **Jimmy Buffett's Margaritaville Casino & Restaurant Biloxi**, on the Back Bay of Biloxi, the first new casino in South Mississippi since Hard Rock Biloxi opened in 2007. Phase I plans, valued at \$50 million with equipment, include construction of a 20,000-square-foot casino with 750 slot machines and 18 table games, a restaurant with indoor and outdoor seating, a 17,000-square foot events center, a gift shop and 12-slip marina. Projected to create about 650 jobs, Margaritaville Biloxi is expected to open in early 2012.

A planned Phase II would add 20,000 square feet to the casino, expand the kitchen, dedicate a museum to Gulf Coast music and culture, and enhance the marina.

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According to Pascagoula native, Jimmy Buffett, he played his first professional job for Jake Mladinich at Trader John's in Biloxi. Buffett said he broke a couple of guitar strings during his performance and Mladinich threatened to fire him if he broke another. Buffett said that could have been the start and end of his career.

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