

IN-DEPTH

Gambling Law

USA - NEVADA



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Gambling Law

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In-Depth: Gambling Law (formerly The Gambling Law Review) is designed for practitioners across the world who want to find a way quickly to digest and understand the framework of gambling legislation in key jurisdictions. It analyses the most consequential new legislation and case law, with a focus on key events of the past 12 months and the things to look out for in the next.

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Introduction

Definitions

Nevada legalised casino gambling in 1931 when Governor Fred Balzar signed Assembly Bill 98 into law. The Nevada Legislature voted to legalise gambling to help lift Nevada out from under the impact of the Great Depression and undid a ban on casino gambling in the state that had been in place since 1909. Gambling has been legal in Nevada for over 90 years.

The definition of a “gambling game” in Nevada is “any game played with cards, dice, equipment or any mechanical or electronic device or machine for money, property, checks, credit or any representative of value”.^[1]

The definition excludes games played with cards in private homes or residences in which no person makes money for operating the game, except as a player, or games operated by charitable or educational organisations that are approved by the Nevada Gaming Control Board (the Board).^[2] Under Nevada law, a “wager” is “a sum of money or representative of value that is risked on an occurrence for which the outcome is uncertain”.^[3]

In 1949, Nevada began allowing wagering on horse racing and professional sports at “turf clubs”, which were independent from casinos. In 1975, the Nevada Legislature authorised race and sports wagering to be offered in Nevada casinos. Nevada sportsbooks offer a variety of wagering options for patrons. Patrons can place parlay wagers, wagers on point spreads and pari-mutuel wagers (participants wagering with each other).^[4] Many Nevada sportsbooks offer a mobile wagering application that allows people to place wagers with licensed Nevada race and sportsbooks without the need of going to a betting window or a kiosk in a casino. The registration process for a mobile wagering account must occur in a Nevada race and sportsbook.^[5] Currently, any wagers made via the mobile sports wagering application must be initiated from within Nevada.^[6]

In 2011, the Nevada Gaming Commission (the Commission; collectively, the Board and Commission will be referred to as the Nevada Gaming Authorities) adopted regulations for interactive (online) gaming in Nevada. By statute, online gaming in Nevada is currently limited to poker. The first online poker website went live in Nevada in April 2013. In an effort to increase liquidity for the online poker websites in Nevada, the governors of Nevada and Delaware signed a compact in February 2014 to establish a legal framework for interstate poker between players in both states, and the states began sharing online poker players in March 2015. The Multi-State Internet Gaming Agreement (MSIGA) now includes Michigan, New Jersey, West Virginia and Pennsylvania.

During the 2015 Nevada legislative session, Chapter 463 of the Nevada Revised Statutes (the Nevada Act) was amended to allow games of skill and hybrid games of skill and chance to be available on casino floors in Nevada. A “game of skill” is defined as “a game in which the skill of the player, rather than chance, is the dominant factor in affecting the outcome of the game as determined over a period of continuous play”.^[7] A “hybrid game” is defined as a “game in which a combination of the skill of the player and chance affects the outcome of the game as determined over a period of continuous play”.^[8]

In October 2015, the Board issued a notice stating its position that pay-to-play daily fantasy sports (DFS) met the definition of a gambling game under Nevada law and, therefore, anyone offering DFS in Nevada must possess a licence to operate a sports pool issued by the Commission. The Board defined DFS as a gambling game but did not take a position on traditional season-long fantasy sports.

Section 24 of the Nevada Constitution prohibits the state of Nevada from authorising a lottery. Nevada is one of five states in the United States that does not have a state-affiliated lottery. The other four states are Alabama, Alaska, Hawaii and Utah. In Nevada, a lottery is defined as “any scheme for the disposal or distribution of property, by chance, among persons who have paid or promised to pay any valuable consideration for the chance of obtaining that property”.^[9] Nevada allows charitable raffles to be offered by “bona fide alumni, charitable, civic, educational, fraternal, patriotic, political, religious or veterans’ organization[s]” that are not operated for profit to conduct a lottery, raffle or gift enterprise for the benefit of charitable or nonprofit activities in the state.^[10]

Gambling policy

Today, Nevada is home to one of the world’s most recognisable skylines – the Las Vegas Strip. The gaming industry is vitally important to the state’s economy and the welfare of its residents.^[11] As such, the gaming industry is heavily regulated at the state level by the Nevada Gaming Authorities to ensure its integrity and longevity.^[12] Nevada recognises the importance of strict regulation to maintain the industry’s significance, stating that:

[t]he continued growth and success of gaming is dependent upon public confidence and trust that licensed gaming...[is] conducted honestly and competitively, that [licensed gaming establishments] do not unduly impact the quality of life enjoyed by residents of the surrounding neighborhoods, that the rights of the creditors of licensees are protected and that gaming is free from criminal and corruptive elements.^[13]

To Nevadans, the presence of the gaming industry is a part of daily life. A limited number of slot machines can be found on the bar tops of neighbourhood pubs and taverns and in grocery stores, convenience stores and even airports. Casinos are commonplace and offer more than just table games and slot machines. Casinos are home to restaurants, day clubs and nightclubs, theatres, bowling alleys, convention spaces, retail shopping, spas and salons.

State control and private enterprise

Unlike other states with state-run lotteries, Nevada does not own any part of the gaming industry. Nevada’s gaming industry relies solely on private and public ownership and investment in the operation of gaming establishments. Although there is no rule prohibiting the same owner from having an interest in multiple gaming establishments, the Nevada Act and the regulations promulgated by the Commission pursuant to the Nevada Act (the Regulations) are designed to encourage competition. If the same entity or individual wishes to own multiple casinos in Nevada, the Nevada Gaming Authorities consider a

number of factors, such as whether licensing of this kind will have an adverse impact upon the public health, safety, morals, good order and the general welfare of the public.^[14]

Territorial issues

As noted above, gaming in Nevada is regulated at the state level by the Board and Commission. In addition, city and county agencies also regulate gaming in Nevada. In general, the Board and Commission handle detailed background investigations for casino applicants, while local agencies primarily focus on the regulation and control of liquor sales and issuing ancillary business licences for the operation of various businesses located in a casino. In Las Vegas, for instance, casinos located on the Las Vegas Strip need to receive licences from the Clark County Department of Business License, and casinos located in downtown Las Vegas need to obtain licences from the City of Las Vegas Business License Department.

Offshore gambling

The Board and Commission have the ability to license gaming operators in the state of Nevada, as well as individuals affiliated with these companies. Those that operate gaming contrary to the laws of the state are prosecuted by the Nevada Attorney General or the appropriate federal authorities.

There may be regulatory consequences for companies that have operated illegally in the past and then apply for licensure in Nevada. In 2011, the Nevada Gaming Authorities addressed Caesars Entertainment's application to approve its association with 888 Holdings, a company that had offered online poker in the United States before 2006. When the Unlawful Internet Gambling Enforcement Act (UIGEA) was enacted in 2006, 888 Holdings pulled its operations from the United States. By ultimately approving Caesars' business dealings with 888 Holdings, the Board and Commission indicated a general willingness to allow companies that ceased operations in 2006 upon the passing of UIGEA to be able to operate in Nevada going forward if they came forward for licensing.

Entities which operate in Nevada's regulated gaming sector are expected to take several steps when evaluating the appropriateness and suitability of offering online gaming in other jurisdictions. The Board recently issued policy guidance relative to entities which offer, or may offer, online gaming activities in jurisdictions outside of Nevada. As is discussed further below, Nevada licensees, applicants and their affiliates must undertake several actions if the entity operates in, or seeks to pursue opportunities in, online gaming in other jurisdictions, including robust due diligence regarding the relevant jurisdiction's applicable laws and regulations, including legal review, compliance assessments, and, when appropriate, consultation with the Board.

Legal and regulatory framework

Legislation and jurisprudence

The Nevada Act and the Regulations provide the primary legal framework for the regulation of gaming in Nevada. The laws, regulations and supervisory procedures of the Nevada Gaming Authorities are based upon declarations of public policy. These public policy concerns include, among other things:

1. preventing unsavoury or unsuitable persons from being directly or indirectly involved with gaming at any time or in any capacity;
2. establishing and maintaining responsible accounting practices and procedures;
3. maintaining effective controls over the financial practices of licensees;
4. preventing cheating and fraudulent practices; and
5. providing a source of state and local revenue through taxation and licensing fees.^[15]

The regulator

The Nevada Act provides for a two-tier state regulatory system. The Board is a full-time regulatory agency consisting of two members and a chairperson, all appointed by the governor. The Board employs staff allocated among divisions, which perform various functions related to the regulation of gaming, including investigations related to applications for licences and findings of suitability. The Board makes recommendations to the Commission as to how licence applications should be handled. The Commission is a part-time body consisting of four members and a chairperson, all of whom are also appointed by the governor. The Commission makes the final determination on licence applications.

Remote and land-based gambling

The Nevada Act and Regulations provide for the Board to license and regulate both online and land-based gambling. On 22 December 2011, the Commission adopted regulations for the establishment of a regulatory framework for the state regulation of internet poker pursuant to Assembly Bill 258 enacted by the Nevada Legislature. These regulations address the licensure of operators, service providers and manufacturers of “interactive gaming systems”, which are currently limited to internet poker. The core components of an interactive gaming system must be located in the state of Nevada except as otherwise permitted by the Board.^[16]

Land-based gambling

While licensed gambling is legal in Nevada, there are some restrictions as to where a gaming establishment may be located. In 1997, the Nevada Legislature enacted laws to regulate the location of future casinos in counties with a population of 700,000 or more.^[17] As a result, the laws currently only apply to Clark County, where the Las Vegas Strip is located. One of the purposes of restricting the location of future casinos in Clark County is to concentrate:

the next generation of large gaming establishments along the Las Vegas Strip...[to] promote responsible use of financial and natural resources by encouraging urban development in those areas where the transportation systems and infrastructure are best suited for such intensive development.-^[18]

New non-restricted gaming establishments^[19] in Clark County must be located in a gaming enterprise district (GED).^[20] Clark County publishes a map that indicates where the GEDs are located. Gaming establishments that were not located within a GED when the law was enacted in 1997 are grandfathered, but “the establishment may not increase the number of games or slot machines operated at the establishment beyond the number of games or slot machines authorized for such a classification of establishment by local ordinance on December 31, 1996”.^[21] The Commission may approve the placement of a gaming establishment outside a GED if the petitioner demonstrates that certain enumerated development criteria, such as the enhancement of the local economy and the welfare of the community, have been met.^[22]

Remote gambling

The Nevada Act and Regulations authorise casinos to offer mobile gaming to their patrons. For a patron to participate in mobile gaming, he or she needs to go through a registration process with the casino. Once authorised, the patron is provided a device that allows him or her to gamble remotely on the casino property. The mobile devices should not work outside the property. Additionally, Nevada’s race and sportsbooks allow customers to place bets remotely on games and approved events on their mobile sports betting apps (provided that the wagers are made in Nevada). There are also two companies licensed to conduct interactive gaming (poker only) in Nevada. Operators of interactive gaming may pool customers in Nevada, Delaware, New Jersey, Michigan and West Virginia pursuant to the MSIGA. Delaware and Nevada entered into this shared liquidity agreement in 2014. New Jersey was added to the agreement in 2017, Michigan was added in 2022 and West Virginia was added in 2023. Further, Pennsylvania joined the agreement on 23 April 2025.

Ancillary matters

The manufacture, sale or distribution of gaming devices, cashless wagering systems or interactive gaming systems for use or play in Nevada without a licence is illegal in Nevada.^[23] A “gaming device” is any object used remotely or directly in connection with gaming, or any game that affects the result of a wager by determining win or loss and that does not otherwise constitute associated equipment.^[24]

If a particular device is not a gaming device, it may be considered associated equipment in Nevada. Associated equipment is any equipment used in connection with gaming or mobile gaming that connects to progressive slot machines, inter-casino linked systems, equipment that affects the proper reporting of gross revenue, computerised systems of betting at a race book or sports pool, computerised systems for monitoring slot machines, and devices for weighing or counting money.^[25] Any manufacturer or distributor of associated equipment for use in Nevada must register with the Board pursuant to NRS 463.665.^[26] The Board has the discretion to require any manufacturer or distributor

of associated equipment to file an application for a finding of suitability.^[27] Additionally, Nevada licenses interactive service providers and registers cash access and wagering instrument service providers.^[28]

When the Commission issues a licence to a gaming operator, certain individuals affiliated with the casino licensee and the casino licensee's holding companies need to file applications and be investigated and found suitable. Generally, the Commission will impose a condition on a casino's licence requiring that an executive, employee or agent of the casino having the power to exercise a significant influence over decisions concerning the casino file an application as a key employee of the casino.

For privately held businesses, the licensing requirements vary depending on the type of entity involved. No person may acquire an interest greater than 5% in a privately held licensee or a holding company, nor become a controlling^[29] affiliate of such a licensee or holding company, nor become a holding company of such a licensee or holding company, without first obtaining the prior approval of the Commission.^[30] The Commission may require any or all of a privately held business entity's lenders, holders of evidence of indebtedness, underwriters, key executives, agents or employees, as applicable, to be licensed or found suitable.^[31] For a corporate licensee, in addition to owners of over 5% or more of the equity securities issued by the corporate licensee, all officers and directors of a privately held corporation that holds or applies for a state gaming licence must be licensed individually.^[32] Owners of 5% or less of the equity securities must register with the Board.

Publicly traded corporations (PTCs) are treated differently under Nevada law than privately held business entities. The Nevada gaming statutes that deal with PTCs focus on voting control rather than on equity ownership. Each officer, director and employee of a PTC that the Commission determines is or is to become actively and directly engaged in the administration or supervision of, or is to have any other significant involvement with, the gaming activities of the corporation or any of its affiliated or intermediary companies must be found suitable and may be required to be licensed by the Commission.^[33] A holder of more than 5% of the voting securities of a PTC registered with the Commission must notify the Commission after filing notice with the US Securities and Exchange Commission (SEC).^[34] A holder of more than 10% of the voting securities of a PTC must file an application with the Commission for a finding of suitability within 30 days of the date specified by the Commission.^[35] Qualified institutional investors can hold up to 25% of the voting securities of a PTC, but they need to obtain a waiver from the Commission to do so.^[36]

In March 2016, the Commission adopted Regulation 15C, which created a unique licensing framework for private investment companies. Regulation 15C defines a private investment company (PIC) as:

any privately held legal entity except a natural person which holds or applies for a license, or owns, directly or indirectly, a beneficial interest in any corporation, firm, partnership, limited partnership, limited-liability company, trust or other form of business organization which holds or applies for a license, and which has the following characteristics: (a) 100% of the economic securities of the company are held, directly or indirectly, by (i) one or more private investment funds that are managed by an investment

manager or managers, which investment manager or managers collectively have more than one billion dollars in assets under management or (ii) one or more institutional investors as defined in Regulation 16.010(14) that each has assets of more than one billion dollars; (b) 100% of the voting securities of the company are held by one or more legal entities that is controlled by one or more controlling persons or key executives of the investment managers or institutional investors[.]^[37]

A PIC is regulated similarly to a PTC but does not have the burdensome SEC reporting obligations and can maintain the confidentiality of its proprietary financial information.

In January 2019, the Commission adopted amendments to the regulations pertaining to race books and sports pools. The adopted amendments provide, in part, clarification on permitted wagers. For example, licensed race books and sports pools may accept wagers on professional sport or athletic events sanctioned by a governing body, Olympic sporting or athletic events sanctioned by the International Olympic Committee, collegiate sporting or athletic events and virtual events.^[38] Wagers may be accepted on other events upon the chair's approval, so long as the other event has been sanctioned by an organisation included on the list of sanctioning organisations maintained by the Board, or the other event is listed on the list of preapproved other events.^[39]

Financial payment mechanisms

While cashless gaming is permitted in Nevada via the utilisation of a cashless wagering system approved by the chair,^[40] cryptocurrency, including the use of Bitcoin, has not been approved by the Board as a form of payment for gambling transactions.

The licensing process

Application and renewal

Under the Nevada Act, the burden of proving qualification to receive a licence is solely on the applicant. Licence approvals are privileges under the Nevada Act, and no person has any right to receive a licence. Once granted, such approvals are revocable privileges, and no holder acquires any vested rights therein or thereunder.

The Nevada Act provides that a licence must not be granted unless the Commission is satisfied that the applicant is:

- (a) A person of good character, honesty and integrity;
- (b) A person whose prior activities, criminal record, if any, reputation, habits and associations do not pose a threat to the public interest of this State or to the effective regulation and control of gaming...or create or enhance the dangers of unsuitable, unfair or illegal practices, methods and activities in the conduct of gaming...or in the carrying on of the business and financial arrangements

incidental thereto; and (c) In all other respects qualified to be licensed or found suitable consistently with the declared policy of this State.^[41]

The Nevada Act further provides that a licence to operate a gaming establishment must not be granted unless the applicant has satisfied the Commission that:

(a) The applicant has adequate business probity, competence and experience in gaming or generally; and (b) The proposed financing of the entire operation is... (1) Adequate for the nature of the proposed operation; and (2) From a suitable source.^[42]

Sanctions for non-compliance

Unlicensed gambling is a crime in Nevada. It is unlawful for any person to “deal, operate, carry on, conduct, maintain or expose for play in the State of Nevada any gambling game, gaming device, slot machine, race book or sports pool” without a licence issued by the Commission.^[43] It is also illegal to “receive, directly or indirectly, any compensation or reward or any percentage or share of the money or property played, for keeping, running or carrying on any gambling game, slot machine, gaming device, race book or sports pool”^[44] A violation is a category B felony, which is punishable by imprisonment of between one and 10 years and a fine of up to US\$50,000, or both.^[45] In addition, a “person who contrives, prepares, sets up, proposes or operates any lottery...is guilty of a gross misdemeanor”, which is punishable by imprisonment for not more than 364 days, or a fine of not more than US\$2,000, or both.^[46]

The Board and the Commission have broad authority to investigate and discipline licensees and registrants for violations of the Nevada Act and Regulations. If the Board investigates a licensee and thereafter determines that the licensee should be disciplined, it must “initiate a hearing before the Commission by filing a complaint with the Commission...and transmit therewith a summary of evidence in its possession bearing on the matter and the transcript of testimony at any investigative hearing conducted by or on behalf of the Board”.^[47] The Commission has the authority to limit, condition, suspend or revoke a licence or registration.^[48] The Commission may also fine a licensee up to US\$250,000 for each separate violation, depending on the nature of the violation.^[49]

The Board and the Commission also have the authority to exclude individuals from entering a gaming establishment or participating in gambling activity. The Board publishes a list of excluded persons on its website. Often referred to as the “black book”, individuals on this list are prohibited from entering any gaming establishment. To determine whether an individual belongs on the list, the Board and the Commission may consider the following factors:

(a) Prior conviction of a crime which is a felony in this state or under the laws of the United States, a crime involving moral turpitude or a violation of the gaming laws of any state; (b) Violation or conspiracy to violate the provisions...relating to: (1) The failure to disclose an interest in a gaming establishment for which the person must obtain a licence; or (2) Willful evasion of fees or taxes; (c) Notorious or unsavoury reputation which would

adversely affect public confidence and trust that the gaming industry is free from criminal or corruptive elements; or (d) Written order of a governmental agency which authorizes the exclusion or ejection of the person from an establishment at which gaming or pari-mutuel wagering is conducted.^[50]

Wrongdoing

The Board is required to continually observe the conduct of all licensees and other persons having a material involvement directly or indirectly with a licensed gaming operation or registered holding company to ensure that licences are not issued or held by, nor is there any material involvement directly or indirectly with a licensed gaming operation or registered holding company, by unqualified, disqualified or unsuitable persons, or persons whose operations are conducted in an unsuitable manner or in unsuitable or prohibited places or locations.^[51]

The Board is required to investigate any apparent violations of the Nevada Act and Regulations.^[52] It is the policy of the Nevada Gaming Authorities to require that all gaming establishments in Nevada be operated in a manner suitable to protect the public health, safety, morals, good order and general welfare of the inhabitants of Nevada.^[53] Responsibility for the employment and maintenance of suitable methods of operations rests with the licensee, and wilful or persistent use or toleration of methods of operation deemed unsuitable will constitute grounds for licence revocation or other disciplinary action.^[54]

Regulation 5.011 lists certain acts or omissions that may be determined to be unsuitable methods of operation. These include the “[f]ailure to exercise discretion and sound judgement to prevent incidents which might reflect on the repute of the State of Nevada and act as a detriment to the development of the industry”, “[f]ailure to comply with or make provision for compliance with all federal, state or local laws and regulations and with all conditions and limitations approved by the Commission relating to the operations of a licensed gaming establishment” and “[f]ailure to conduct gaming operations in accordance with proper standards of custom, decorum, and decency, or permit a type of conduct in a gaming establishment that reflects or tends to reflect on the repute of the State of Nevada and act as a detriment to the gaming industry”^[55]

When satisfied that a licence should be limited, conditioned, suspended or revoked, or a licensee fined, the Board shall initiate a hearing before the Commission by filing a complaint. Before such a complaint is filed, the Board may issue an order to show cause. The purpose of an order to show cause is to aid the Board in deciding whether to seek disciplinary action against a licensee. The licensee is afforded the opportunity to respond and demonstrate why disciplinary action should not be taken.

The Board has full and absolute power and authority to recommend the denial of any application, the limitation, conditioning or restriction of any licence, registration, finding of suitability or approval, the suspension or revocation of any licence, registration, finding of suitability or approval or the imposition of a fine upon any person licensed, registered, found suitable or approved for any cause deemed reasonable by the Board.^[56]

Acceptance of a state gaming licence or renewal thereof by a licensee constitutes an agreement on the part of the licensee to be bound by all the regulations of the Commission. It is the responsibility of the licensee to keep him or herself informed of the content of all applicable laws and regulations, and ignorance does not excuse violations.^[57]

All PTCs and PICs that are licensed or registered by the Commission are required to maintain a gaming compliance programme for the purpose of, at a minimum, performing due diligence, determining the suitability of relationships with other entities and individuals, and to review and ensure compliance by the PTC/PIC, its subsidiaries and any affiliated entities, with the Nevada Act, the Regulations, and the laws and regulations of any other jurisdictions in which the PTC/PIC, its subsidiaries and any affiliated entities operate. The gaming compliance programme, any amendments thereto, and the members of the compliance committee, one member of which shall be independent and knowledgeable of the Nevada Act and Regulations, must be administratively reviewed and approved by the Board.

Taxation

Gaming licensees are subject to taxes and fees. Among the types of taxes and fees to which a licensee may be subject are annual and quarterly taxes and fees, and a monthly percentage fee that is based upon the licensee's gross revenue. Casino licensees must pay an annual fee based upon the number of slot machines operated.^[58] For establishments operating more than 16 games, the licensee must pay a sum of US\$1,000 for each game up to 16 games and the sum of US\$200 for each game in excess of 16 games so operating.^[59]

A licensee must pay an annual excise tax of US\$250 upon each slot machine operated.^[60] In addition, casino licensees must pay a quarterly fee of US\$20 per slot machine operated in the establishment, and another quarterly fee based upon the number of games operated.^[61] Taxes and fees for other licensing categories such as restricted licensees, operators of slot machine routes and manufacturers vary.

Some casinos may also be subject to Nevada's live entertainment tax (LET). The LET is an excise tax imposed on admission to any facility in Nevada where live entertainment is provided.^[62] Resort casinos with concert venues or certain types of nightclubs, bars or restaurants may be subject to this tax. Live entertainment is defined as "any activity provided for pleasure, enjoyment, recreation, relaxation, diversion or other similar purpose by a person or persons who are physically present when providing that activity to a patron or group of patrons who are physically present"^[63]

The types of entertainment considered to be live entertainment, as defined in NRS Chapter 368A, include: (1) music, vocals, dancing, acting, acrobatics, stunts, comedy or magic provided by professionals or amateurs; (2) animal stunts or performances induced by one or more animal handlers or trainers; (3) athletic or sporting contests, events or exhibitions provided by professionals or amateurs; (4) a performance by a disc jockey who presents recorded music; and (5) an escort who is escorting one or more persons at a location or locations in Nevada.^[64] The rate of the tax is 9% of the admission charge to the area or premises (indoor or outdoor) where live entertainment is provided and for which a fee is collected to enter or have access to the area or premises.^[65]

Taxes and fees related to gaming are not just the responsibility of gaming licensees. Gambling winnings are considered income and, therefore, are taxable. When a player wins US\$2,000 or more from a single slot machine bet, for example, the player is given an Internal Revenue Service Form W-2G – Certain Gambling Winnings to report the winnings to the Internal Revenue Service.^[66] A player can expect a federal tax rate of approximately 30% on gambling winnings. Nevada does not have a state income tax, so for Nevada residents, no additional tax is due to the state.

Advertising and marketing

Nevada casinos may advertise their land-based and online offerings in Nevada. However, any advertising must be conducted in a manner that will not bring the gaming industry in Nevada into disrepute. Nevada casinos must conduct their “advertising and public relations activities in accordance with decency, dignity, good taste, honesty and inoffensiveness”.^[67] Advertising companies are not required to be licensed as service providers.

Year in review

In 2025, the Board hosted several workshops, and the Commission issued various regulation amendments with the goal of continuing to streamline and make regulations more efficient. On 16 January 2026, the Board circulated a Notice to Licensees which provides updated policy guidance for all licensees and applicants in Nevada that operate or are pursuing opportunities in online gaming in other jurisdictions. The new guidelines: (1) require due diligence before entering a jurisdiction; (2) restrict licensees from entering presumptively prohibited jurisdictions; and (3) impose ongoing due diligence reporting obligations.

The Board also advises that entities should continue to monitor their findings and complete additional due diligence as to the relevant jurisdiction’s legal and regulatory landscape every two years and maintain a register of their findings. Moreover, applicable entities are to use reasonable efforts to monitor where their online gaming products are made available or accessible and take action if they become aware that any of their gaming products become available in a jurisdiction that is presumptively prohibited, unless the entity can rebut the presumption of illegality. Notably, the Board’s notice also identified a category of “presumptively prohibited jurisdictions”, which includes countries that expressly ban online gaming or have taken enforcement actions against it. Licensees wishing to operate in such jurisdictions must present detailed due diligence to the Board to rebut the presumption. The notice also indicated that licensees which made online gaming products available outside of Nevada were to provide the Board with a current and complete list of all such jurisdictions within 60 days of the date of the posting of the notice. After the aforementioned initial listing, licensees are required to inform the Board on a quarterly basis of any new jurisdictions that the licensee has determined to be suitable for online gaming.

On 27 February 2025, the Commission approved amendments to Regulation 9 regarding the death of a licensee where the Commission clarified the transfer process and extended the timeline in which an application must be filed from 30 days to 90 days. Further, in an effort to promote transparency, the Board published its first report detailing certification and approval time frames for gaming technology from 1 January 2023 through 31 December 2024. The report covered new gaming devices, new associated equipment and related modifications.

In addition, at its meeting in July 2025, the Nevada Legislative Commission approved permanent regulation changes to the Nevada Administrative Code (NAC) on tax on live entertainment as adopted by the Commission in December 2024. The adopted amendments to Chapter 368A of the NAC remove the requirement for group 1 licensees to include LET procedures in their system of internal control, remove the requirement that group 1 licensees direct their independent accountant and internal auditor to perform certain procedures relating to the LET, and remove the requirement to prepare and file certain reports relating thereto with the Board.

In September 2025, the Board adopted amendments to Regulation 5.200, which significantly modified the licensing and operational requirements for gaming salons. Most notably, the financial criteria for admission to non-poker salon games were reduced from US\$300,000 to US\$20,000 in front money, credit, or a combination thereof, while poker now requires a US\$10,000 minimum buy-in per patron and a US\$20,000 total table buy-in to commence play. The amendments also eliminate the prior US\$500 slot minimum and instead allow table game minimums to be set at the licensee's discretion, with slot minimums subject to Board approval (automatic for US\$5 or higher).

Of note, the Board issued a series of notices to licensees stating that sports and other event contracts – including contracts tied to sporting events, esports, political elections and similar events – constitute wagering under Nevada law, regardless of the Commodity Futures Trading Commission exchange listing. Such offerings may only be conducted in Nevada by entities holding a non-restricted gaming licence with sports pool approval and complying with all sportsbook requirements. The Board further warned that Nevada licensees offering or partnering in such contracts, whether in Nevada or other jurisdictions without proper authorisation, may face suitability review or disciplinary action under the Nevada Act. Currently, the Board is engaged in litigation against operators offering sports event contracts and it is a rapidly evolving area of law with significant regulatory and competitive implications for the industry.

Outlook and conclusions

In 2026, the Board will continue to review, update and streamline the Nevada gaming regulations in an ongoing effort to keep the regulatory framework modern. Further, the Board is likely to continue challenging operators in the event contract space and focus on AML compliance to ensure that gaming activity is conducted within Nevada's statutory framework and in a manner that safeguards the integrity of the gaming industry.

Endnotes

- 1 Nevada Revised Statutes (NRS) 463.0152. [^ Back to section](#)
- 2 *ibid.* [^ Back to section](#)
- 3 NRS 463.01962. [^ Back to section](#)
- 4 NRS 464.005. [^ Back to section](#)
- 5 Nevada Gaming Commission Regulation (NGC Reg) 22.140(6). Pursuant to NGC Reg 22.1140(6)(a)(2): “A book may inspect government issued picture identification credentials to confirm a patron's identity, as required by subsection 7 of Regulation 5.225, by filing a request with the Chair for permission to have its employees inspect such identification credentials at locations outside of the book.” [^ Back to section](#)
- 6 NGC Reg. 22.140(1). [^ Back to section](#)
- 7 NRS 463.15997(4)(a). [^ Back to section](#)
- 8 NRS 463.15997(4)(b). [^ Back to section](#)
- 9 NRS 462.105(1). [^ Back to section](#)
- 10 NRS 462.125 and 462.140. [^ Back to section](#)
- 11 NRS 463.0129(1)(a). [^ Back to section](#)
- 12 NRS 463.0129(1)(c). [^ Back to section](#)
- 13 NRS 463.0129(1)(b). [^ Back to section](#)
- 14 NGC Reg. 3.070(11). [^ Back to section](#)
- 15 NRS 463.0129. [^ Back to section](#)
- 16 NGC Reg. 14.010(19). [^ Back to section](#)
- 17 NRS 463.3074. [^ Back to section](#)
- 18 NRS 463.3072(2)(c). [^ Back to section](#)
- 19 “Non-restricted licence” or “non-restricted operation” means: (1) a state gaming licence for, or an operation consisting of, 16 or more slot machines; (2) a licence for, or operation of, any number of slot machines together with any other game, gaming device, race book or sports pool at one establishment; or (3) a licence for, or the operation of, a slot machine route. NRS 463.0177. [^ Back to section](#)

- 20** NRS 463.308(1). The map is currently available here:
<https://www.clarkcountynv.gov/adobe/assets/urn:aaid:aem:cfaa0b29-1e6f-4bb3-bba4-fdb26a3014e8/original/as/RegGaming.pdf>. ^ [Back to section](#)
- 21** NRS 463.308(3). ^ [Back to section](#)
- 22** NRS 463.3084(2); 463.3086(6). ^ [Back to section](#)
- 23** NRS 463.650(1). ^ [Back to section](#)
- 24** NRS 463.0155. ^ [Back to section](#)
- 25** NRS 463.0136. ^ [Back to section](#)
- 26** NGC Reg. 14.020(4). ^ [Back to section](#)
- 27** NGC Reg. 14.305(1). ^ [Back to section](#)
- 28** NRS 463.677. ^ [Back to section](#)
- 29** “Control” is defined as “the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise”. NGC Reg. 15.482-4. ^ [Back to section](#)
- 30** See NGC Regs. 15.1594-6, 15A.060 and 15B.060. ^ [Back to section](#)
- 31** NGC Regs. 15.530-3, 15A.160 and 15B.160. ^ [Back to section](#)
- 32** NRS 463.530. ^ [Back to section](#)
- 33** NRS 463.637(1); NGC Regs. 16.410(1) and 16.415(1). ^ [Back to section](#)
- 34** NRS 463.643(3). ^ [Back to section](#)
- 35** NRS 463.643(4). ^ [Back to section](#)
- 36** NGC Regs. 16.010(14) and 16.430. ^ [Back to section](#)
- 37** NGC Regs. 15C.010(1) ^ [Back to section](#)
- 38** NGC Reg. 22.120 (see NGC Reg. 22.010 for defined terms). ^ [Back to section](#)
- 39** NGC Reg. 22.1201. ^ [Back to section](#)
- 40** NGC Reg 14.265. ^ [Back to section](#)

- 41** NRS 463.170(2). [^ Back to section](#)
- 42** NRS 463.170(3). [^ Back to section](#)
- 43** NRS 463.160(1)(a). [^ Back to section](#)
- 44** NRS 463.160(1)(d). [^ Back to section](#)
- 45** NRS 463.360(3). [^ Back to section](#)
- 46** NRS 462.250; NRS 193.140. [^ Back to section](#)
- 47** NRS 463.310(2). [^ Back to section](#)
- 48** NRS 463.310(4). [^ Back to section](#)
- 49** NRS 463.310(4)(d). [^ Back to section](#)
- 50** NRS 463.151(3). [^ Back to section](#)
- 51** NRS 463.1405(1); NGC Reg. 5.040. [^ Back to section](#)
- 52** NRS 463.310. [^ Back to section](#)
- 53** NGC Reg. 5.010(1). [^ Back to section](#)
- 54** NGC Reg. 5.010(2). [^ Back to section](#)
- 55** NGC Reg. 5.011(1)(a), (h), (k). [^ Back to section](#)
- 56** NRS 463.1405(3). [^ Back to section](#)
- 57** NGC Reg. 5.030. [^ Back to section](#)
- 58** NRS 463.380. [^ Back to section](#)
- 59** NRS 463.380(1)(j). [^ Back to section](#)
- 60** NRS 463.385(1). [^ Back to section](#)
- 61** NRS 463.375(2). [^ Back to section](#)
- 62** NRS 368A.200(1). [^ Back to section](#)
- 63** NRS 368A.090(1). [^ Back to section](#)

- 64** NRS 368A.090(2)(a). [^ Back to section](#)
- 65** NRS 368A.200(1)(a) and 368A.060. [^ Back to section](#)
- 66** See Dept. of Treas. Reg. Section 7.6041-1(c); See Internal Revenue Service, Instructions for Forms W 2G and 5754 (Rev. Jan. 2026), confirming that the reporting threshold for gambling winnings has been increased to US\$2,000 beginning in calendar year 2026. [^ Back to section](#)

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