

# Regulating and Taxing Online Social Plus Games in Maryland: A Winning Approach



Online social games with sweepstakes promotions, or Social Plus games, are a mainstream digital entertainment category that has provided casual online entertainment to millions of American adults since 2012, including approximately 120,000 adults in Maryland.

Social Gaming Leadership Alliance operator platforms offer fun, safe social gaming platforms for players age 21 and up, who can always participate without payment. With smart regulation and taxation, these games could generate more than **\$20 million in revenue** for **Maryland** annually. Recent polling shows that voters overwhelmingly support regulating – not banning – these games.

## Public Opinion: Voters Support Regulation Over Bans

- ◆ **84% of U.S. voters agree** the government should modernize laws to regulate and tax online Social Plus games
- **Only 8% believe the games should be banned**, and only 4% consider this a priority issue

## Smart Regulation To Unlock Upwards of \$20 Million in Annual Revenue

With modern regulation, Maryland could gain:

<b>\$17M+</b>	<b>\$2-4M</b>
from player purchases tax	from operator registration fees

Additionally, Social Plus operators spend nearly \$1.8 billion nationwide on key services including marketing, technology and payment processing, directly benefitting Maryland-based companies like AbbyKiko Marketing, SECU Credit Union, Central Credit Union of Maryland and Data Canopy.

## A Modern Framework for Safe, Responsible Games

A sensible regulatory framework would make it easier to audit operators and enforce compliance with consumer protection laws to ensure:



Robust age verification processes to prevent access by minors



Best-in-class data, financial, and fraud protections



Built-in tools for responsible social gameplay

## The Choice is Clear – Regulate, Don't Ban

Maryland has an opportunity to regulate online Social Plus games to safeguard consumers, protect Maryland's businesses and generate upwards of \$20 million in new revenue each year.