

**For Immediate Release**

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## **Internet Gambling Regulation Provides Opportunity to Generate Tens of Billions for Government Programs**

### ***Projections Reflect Increased Gambling by Americans Despite Attempts to Prohibit the Activity***

(Washington, D.C. – February 26, 2009) An updated analysis found that the U.S. could receive as much as \$51.9 billion in federal revenue over the next decade if Internet gambling is regulated as proposed in legislation introduced by Representatives Barney Frank (D-Mass.) and Jim McDermott (D-Wash.). The new revenue estimates are approximately 22 percent larger than those of an earlier analysis prepared by PricewaterhouseCoopers in 2007, reflecting the increased online gambling activities of Americans despite attempts to prohibit activity through passage of the Unlawful Internet Gambling Enforcement Act of 2006.

"This analysis further illustrates that the U.S. is missing the opportunity to collect billions of dollars in federal revenues," said Jeffrey Sandman, spokesman for the Safe and Secure Internet Gambling Initiative. "We are optimistic that the Obama Administration and Congress will pay closer attention to this issue as they seek to find new revenues that can be generated without raising taxes for critical federal, state and local government programs. Regulation is also needed to ensure there are safeguards to protect against compulsive and underage gambling, money laundering, fraud and identity theft."

Representatives Frank and McDermott have expressed a commitment to re-introduce legislation in the coming weeks that would regulate the industry and ensure revenues that are currently lost to offshore gambling operators are collected and remain in the U.S. Representative Frank previously introduced the Internet Gambling Regulation and Enforcement Act of 2007 (H.R. 2046) that would establish a regulatory and enforcement framework for licensed gambling operators to accept bets and wagers from individuals in the U.S. In March 2008, Representative Jim McDermott (D-WA) introduced a companion bill to H.R. 2046, the Internet Gambling Regulation and Tax Enforcement Act of 2008 (H.R. 2607) which would tax regulated Internet gambling activities.

"The current ban on Internet gambling has proved to be a failure as millions of Americans continue to gamble online each day," said Sandman. "It's time for Congress to take action to regulate and tax Internet gambling to protect consumers and ensure that the U.S. receives the billions in revenue it is due."

The PricewaterhouseCoopers is available at:  
[www.safeandsecureig.org/media/pwctaxanalysis.pdf](http://www.safeandsecureig.org/media/pwctaxanalysis.pdf)

**About Safe and Secure Internet Gambling Initiative**

The Safe and Secure Internet Gambling Initiative promotes the freedom of individuals to gamble online with the proper safeguards to protect consumers and ensure the integrity of financial transactions. For more information on the Initiative, please visit [www.safeandsecureig.org](http://www.safeandsecureig.org). The Web site provides a means by which individuals can register support for regulated Internet gambling with their elected representatives.

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