

118TH CONGRESS
2D SESSION

S. 4872

To amend the Internal Revenue Code of 1986 to exempt sports betting from the tax on authorized wagers.

IN THE SENATE OF THE UNITED STATES

JULY 31, 2024

Ms. CORTEZ MASTO (for herself and Mrs. HYDE-SMITH) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to exempt sports betting from the tax on authorized wagers.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Withdrawing Arduous
5 Gaming Excise Rates Act” or the “WAGER Act”.

6 **SEC. 2. SPORTS BETTING EXEMPT FROM THE EXCISE TAX**
7 **ON AUTHORIZED WAGERS.**

8 (a) IN GENERAL.—Section 4402 of the Internal Rev-
9 enue Code of 1986 is amended by adding at the end the
10 following new paragraph:

1 “(4) SPORTS BETTING NOT PROHIBITED UNDER
2 STATE LAW OR TRIBAL COMPACT.—On any wager
3 which—

4 “(A) is not prohibited under—

5 “(i) the law of the State in which ac-
6 cepted, or

7 “(ii) an approved Tribal-State gaming
8 compact executed in accordance with the
9 Indian Gaming Regulatory Act (25 U.S.C.
10 2701 et seq.), and

11 “(B) is placed with respect to any sporting
12 event.”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to wagers placed after the date
15 of the enactment of this Act.

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