

Little River Band of Ottawa Indians

Internet Gaming Revenue & Internet Gaming Tax – Member Overview

Purpose

This handout explains how Internet Gaming revenue and Internet Gaming tax are generated, accounted for, and distributed to provide clarity and transparency to Tribal members.

Key Facts

- Internet Gaming revenue and Internet Gaming tax are Tribal funds.
- Funds are not owned, controlled, or personally received by any individual.
- Required expenses, regulatory obligations, and taxes are paid first.
- Only net revenue and net tax proceeds are transferred to the Tribal government.
- Use of funds is determined through established governance and budget processes.

How Internet Gaming Revenue Works

- Bets are placed through a licensed Internet Gaming platform.
- Platform, regulatory, and operating costs are paid.
- Net revenue is calculated and transferred to the Tribal government.
- Tribal Council determines fund allocation through governance processes.

How Internet Gaming Tax Works

- Gaming activity generates required tax obligations.
- Internet Gaming tax is calculated separately from revenue.
- Required tax payments are made first; net proceeds flow to the Tribe.
- Tribal Council determines use of tax funds in accordance with policy and law.

Role of the Ogema

- The Ogema does not personally receive, hold, or distribute gaming funds.
- All funds flow through established financial systems and internal controls.

Oversight

- Revenue and tax are recorded in Tribal financial statements.
- Subject to accounting review, compliance, and audit processes.

Bottom Line

Internet Gaming revenue and tax belong to the Tribe and are distributed through formal financial systems under Tribal governance—not individual control.

Michigan Gaming Control Board
Tribal 2% Payments to Local Units of State Government
 Last Revised
 11/14/2025

Tribal 2% Payments to Local Units of State Government	Total 1993 - 2017	2019	2020	2021	2022	2023	2024	2025	LTD Total
Bay Mills Indian Community	\$12,313,271.56	\$429,302.00	\$230,540.68	\$340,688.20	\$329,502.20	\$379,020.40	\$374,141.27	\$197,756.51	\$14,594,222.82
Grand Traverse Band of Ottawa and Chippewa	\$39,479,188.60	\$1,538,689.14	\$1,146,286.07	\$1,383,793.74	\$1,344,665.97	\$1,415,316.66	\$1,457,647.07	\$706,758.54	\$48,472,345.79
Gun Lake	\$27,526,876.45	\$4,686,816.20	\$3,684,810.35	\$4,243,082.14	\$4,272,439.84	\$4,311,322.29	\$4,500,516.42	\$2,226,843.64	\$55,452,707.33
Hannahville Indian Community *	\$20,302,668.67	\$1,054,438.66	\$930,537.94	\$1,122,371.54	\$1,192,758.12	\$1,236,893.27	\$1,233,029.15	\$612,407.09	\$27,685,294.44
Keweenaw Bay Indian Community **	\$13,854,777.09	\$577,394.68	\$468,457.74	\$754,687.43	\$725,720.98	\$715,993.75	\$742,251.36	\$348,910.12	\$18,188,193.15
Lac Vieux Desert Band of Lake Superior Chippewa ****	\$8,662,267.16	\$258,884.91	\$195,596.90	\$291,596.41	\$273,875.11	\$289,643.86	\$313,305.59	\$174,902.54	\$10,440,072.08
Little River Band of Ottawa Indians	\$35,511,494.19	\$1,742,355.71	\$1,378,608.95	\$1,463,331.17	\$1,498,279.42	\$1,537,162.33	\$1,586,297.39	\$717,085.78	\$45,434,614.94
Little Traverse Bay Bands of Odawa Indians	\$20,357,914.31	\$1,104,566.65	\$832,656.71	\$1,150,137.08	\$1,112,295.66	\$1,154,909.85	\$1,140,483.05	\$508,628.11	\$27,361,991.42
Nottawasipp Huron Band of the Potawatomi	\$48,962,273.36	\$5,855,558.39	\$4,918,734.31	\$6,397,613.04	\$6,196,102.90	\$6,254,875.71	\$6,077,822.12	\$717,085.78	\$84,662,979.83
Pokagon Band of Potawatomi Indians	\$69,460,603.59	\$5,731,527.24	\$4,396,494.88	\$6,120,249.67	\$5,578,182.92	\$4,910,663.82	\$4,637,998.66	\$3,104,365.50	\$100,835,720.78
Saginaw Chippewa Indian Tribe	\$155,917,236.50	\$6,120,314.09	\$5,293,564.27	\$7,023,781.57	\$6,916,588.31	\$6,592,459.62	\$6,594,804.86	\$3,104,365.50	\$197,563,115.72
Sault Ste. Marie Tribe of Chippewa Indians ***	\$44,934,451.69	\$1,385,021.84	\$1,306,049.97	\$1,214,081.38	\$1,364,103.60	\$1,606,102.48	\$1,793,468.62	\$709,440.85	\$54,392,700.43
Total 2% Payments to Local Governments ****	\$497,283,223.17	\$30,484,869.51	\$24,782,338.37	\$31,505,393.37	\$30,804,516.03	\$30,384,354.04	\$30,441,765.56	\$9,307,098.68	\$684,993,558.73

* Amounts do not include payments made to an interest-bearing escrow account designated for Bark River-Harris School District that were previously required under the 2017 Hannahville Agreement and Stipulation for Entry of a Consent Judgment, dated March 14, 2017. The 2017 Stipulation was amended on December 2, 2021, and this separate payment obligation was eliminated. Under the amended agreement, a portion of the Tribe's two percent payments will be allocated to Bark River-Harris School District and Bay De Noc Community College until a minimum payment amount is fulfilled.

** The Keweenaw Bay Indian Community (KBIC) made an advance payment to Chocolay Township on February 14, 2019 under a 10-year, long-term contract. KBIC is allocating a prorated amount over the life of the contract in a semiannual amount of \$31,000. The two percent payment totals presented in the 2019 Indian Gaming Annual Report and the 2019 amount presented above differ by \$31,000, the amount of the second semiannual allocation of 2019.

*** For the 2020 payment period, the Sault Ste. Marie Tribe of Chippewa Indians disbursed excess amounts to meet obligations under contracts between the Tribe and various local units of government. The 2020 amount presented above includes the excess distributions and differs from the two percent payment total presented in the 2020 Indian Gaming Annual Report by the amount of the excess funds.

**** The two percent payments are provided for under the terms of the Composts and related Consent Judgments and were calculated by the MGCGB based on information provided by the Tribes. The payments are not intended to be a presentation in conformity with generally accepted accounting principles and have not been audited and/or reviewed by the MGCGB.

***** The figure for LVDB varies slightly from the amounts shown in the Annual Report and the Local Revenue Sharing Distribution Report due to identified reporting discrepancies that were later corrected. The variance is immaterial, and the amount presented in this updated table reflects the verified and final figure.

