

<h2 style="margin: 0;">Regulatory Analysis Form</h2> <p style="margin: 0;">(Completed by Promulgating Agency)</p> <p style="margin: 0;">(All Comments submitted on this regulation will appear on IRRC's website)</p>	<p style="margin: 0;">INDEPENDENT REGULATORY REVIEW COMMISSION</p> <p style="margin: 10px 0 0 0;">RECEIVED</p> <p style="margin: 0;">Independent Regulatory Review Commission</p> <p style="margin: 0;">February 24, 2026</p>
<p>(1) Agency Pennsylvania Gaming Control Board</p>	<p>IRRC Number: 3478</p>
<p>(2) Agency Number: 125 Identification Number: 259</p>	
<p>(3) PA Code Cite: 58 Pa.Code §465a.26</p>	
<p>(4) Short Title: Updates related to W-2G reference</p>	
<p>(5) Agency Contacts (List Telephone Number and Email Address):</p> <p>Primary Contact: Robert Wood Senior Counsel Pennsylvania Gaming Control Board 303 Walnut Street Commonwealth Tower, 5th Floor Harrisburg, PA 17101 Phone: (717) 346-8300 Email: rmwood@pa.gov</p> <p>Secondary Contact:</p>	
<p>(6) Type of Rulemaking (check applicable box):</p> <p><input type="checkbox"/> Proposed Regulation</p> <p><input type="checkbox"/> Final Regulation</p> <p><input checked="" type="checkbox"/> Final Omitted Regulation</p>	<p><input type="checkbox"/> Emergency Certification Regulation;</p> <p><input type="checkbox"/> Certification by the Governor</p> <p><input type="checkbox"/> Certification by the Attorney General</p>
<p>(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)</p> <p>This final omitted rulemaking addresses an inconsistency created by the IRS' update to W-2G issuance threshold changes.</p>	
<p>(8) State the statutory authority for the regulation. Include <u>specific</u> statutory citation.</p> <p>The Pennsylvania Gaming Control Board has the authority pursuant to 4 Pa. C.S. §§ 1202 (relating to general and specific powers), 1207 (relating to regulatory authority of the board), and 1322 (regulatory authority relative slot machine accounting controls and audits),</p>	

(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.

The provisions of this proposed rulemaking are not the result of any direct mandate by federal or state law, court order or federal regulation. Title 4 Amusements provides both a framework for regulated gaming in the Commonwealth and a directive that PGCB adopt regulations to govern regulated gaming. To the extent that the IRS updating its rules and thresholds relative to the issuance of the W-2G tax form, an inconsistency will result between PGCB's regulations which refer to the \$1,200 W-2G threshold which has become obsolete. While this was not a mandatory amendment, the Board believes the amendment is appropriate to achieve present and future consistency between the Board's regulations and federal tax policy.

A copy of the IRS' draft W-2G revision is available at <https://www.irs.gov/pub/irs-dft/fw2g--dft.pdf> and <https://www.irs.gov/pub/irs-dft/iw2g--dft.pdf>

(10) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

58 Pa Code § 465a.26(b) presently utilizes references to the W-2G tax form and the issuance threshold of \$1,200. Updating PGCB regulations to remain consistent with the IRS' rules and procedures is necessary to ensure PGCB regulations do not contain requirements inconsistent with federal tax law.

(11) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.

The regulation in question pertains to PGCB's prescribed rules and procedures for jackpots. In the regulation's requirements, it makes reference to the federal tax requirements with the W-2G tax form. To the limited extent that federal tax policy is implicated, this revision makes PGCB regulatory requirement stay tied to the IRS' W-2G issuance threshold which may vary in the future year-to-year.

(12) How does this regulation compare with those of the other states? How will this affect Pennsylvania's ability to compete with other states?

Pennsylvania remains a market leader in the gaming industry. The updates proposed do not affect this market leading position. Rather the updates reflect Pennsylvania's continued leadership in regulated gaming oversight. The other gaming jurisdictions are concurrently undertaking comparable updates to their regulations and other requirements to remain consistent with federal tax thresholds.

(13) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

This regulation will not affect any regulations of other state agencies. To the extent that PGCB's regulations intersect and cross reference, there may be some effects. However, the updates proposed by this rulemaking do not create inconsistencies nor regulatory interpretation problems with other sections and cross references.

(14) Describe the communications with and solicitation of input from the public, any advisory council/group, small businesses and groups representing small businesses in the development and drafting of the regulation. List the specific persons and/or groups who were involved. ("Small business" is defined in Section 3 of the Regulatory Review Act, Act 76 of 2012.)

No outside persons or groups were involved in the development and drafting of the regulation. Although PGCB has received inquiries seeking clarification from the regulated industry regarding this regulation section versus IRS' forthcoming updates, no input was received. The update reflects the Board's determination of the best path forward in gaming oversight without creating a conflict of law between Pennsylvania's regulation of gaming activities versus federal tax policy.

(15) Identify the types and number of persons, businesses, small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) and organizations which will be affected by the regulation. How are they affected?

The Board anticipates that these regulations will have minimal measurable effect on its licensed operators. The proposed alterations to PGCB's regulations do not create an enhanced burden on the regulated industry. To the extent that these amendments direct actions by the licensees, it is in line with existing requirements but adopts updated tax standards.

The Board does not believe that any affected entities nor individuals affected by this regulation would qualify as small businesses as defined in the United States Small Business Administration's Small Business Size Regulations, under 13 C.F.R. Ch. 1 Part 121.

(16) List the persons, groups or entities, including small businesses, that will be required to comply with the regulation. Approximate the number that will be required to comply.

This proposed rulemaking does not expand the potential group of persons, groups, entities, or businesses which must comply with the Board's regulatory framework. As noted, this proposed rulemaking is seeking to incorporate updates into the existing regulations to reflect changes being made by the IRS to federal tax thresholds.

(17) Identify the financial, economic and social impact of the regulation on individuals, small businesses, businesses and labor communities and other public and private organizations. Evaluate the benefits expected as a result of the regulation.

It is not anticipated that this rulemaking will have a negative financial or economic impact.

(18) Explain how the benefits of the regulation outweigh any cost and adverse effects.

This rulemaking will ensure a continued conformity between PA Gaming regulatory thresholds and IRS tax for issuance thresholds.

(19) Provide a specific estimate of the costs and/or savings to the **regulated community** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

The Board anticipates that this proposed regulatory action will be cost neutral to the regulated community.

(20) Provide a specific estimate of the costs and/or savings to the **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

This rulemaking will have no fiscal impact on local governments.

(21) Provide a specific estimate of the costs and/or savings to the **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

The Board does not expect that the requirements of this rulemaking will have any fiscal impact on the Board or any other Commonwealth agency. Any additional work resulting from this rulemaking will be handled by existing Board staff.

(22) For each of the groups and entities identified in items (19)-(21) above, submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

The updates proposed do not create wholly new reporting requirements. To the extent that there are changes in frequency or information to be reported, they reflect information licensees already maintain as part of existing regulatory requirements. Providing the information to the Board is seen as a de minimis ask of the Board's licensees.

(22a) Are forms required for implementation of the regulation?

These updates do not create new forms for implementation.

(22b) If forms are required for implementation of the regulation, **attach copies of the forms here.** If your agency uses electronic forms, provide links to each form or a detailed description of the information required to be reported.

No specific form is required under the regulations being amended.

(23) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
SAVINGS:	\$	\$	\$	\$	\$	\$
Regulated Community	N/A	N/A	N/A	N/A	N/A	N/A
Local Government	N/A	N/A	N/A	N/A	N/A	N/A
State Government	N/A	N/A	N/A	N/A	N/A	N/A
Total Savings	N/A	N/A	N/A	N/A	N/A	N/A
COSTS:						
Regulated Community	N/A	N/A	N/A	N/A	N/A	N/A
Local Government	N/A	N/A	N/A	N/A	N/A	N/A
State Government	N/A	N/A	N/A	N/A	N/A	N/A
Total Costs	N/A	N/A	N/A	N/A	N/A	N/A
REVENUE LOSSES:						
Regulated Community	N/A	N/A	N/A	N/A	N/A	N/A
Local Government	N/A	N/A	N/A	N/A	N/A	N/A
State Government	N/A	N/A	N/A	N/A	N/A	N/A
Total Revenue Losses	N/A	N/A	N/A	N/A	N/A	N/A

(23a) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3 2022-2023	FY -2 2023-2024	FY -1 2024-2025	Current FY 2025-2026
PGCB Overall Budget	\$48,189,000	\$52,159,000	\$57,222,000	\$60,423,000

(24) For any regulation that may have an adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), provide an economic impact statement that includes the following:

- (a) An identification and estimate of the number of small businesses subject to the regulation.

The Board does not believe this rulemaking will affect any small businesses. To the extent that a Board licensee may qualify as a small business and be subject to the proposed rulemaking, it is not anticipated that the regulation will have any adverse impact on any business.

- (b) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record.

It is not anticipated that there will be any significant reporting, recordkeeping or other administrative costs associated with this regulation that a licensee does not already perform based upon licensure in Pennsylvania or other jurisdictions, or as a matter of industry best practices.

- (c) A statement of probable effect on impacted small businesses.

As stated above, the Board does not believe any of the entities subject to the regulation are small businesses. However, any impact will be limited to those entities wishing to engage in the covered activity, which would not be an adverse impact.

- (d) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

It is not believed that there is a less intrusive or less costly alternative method available.

(25) List any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, the elderly, small businesses, and farmers.

No special provisions have been added.

(26) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

No alternative regulatory approaches were considered as this rulemaking, and the regulations therein reflect the least burdensome means of maintaining regulatory oversight of these activities.

(27) In conducting a regulatory flexibility analysis, explain whether regulatory methods were considered that will minimize any adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), including:

- a) The establishment of less stringent compliance or reporting requirements for small businesses;
- b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
- c) The consolidation or simplification of compliance or reporting requirements for small businesses;

- d) The establishment of performance standards for small businesses to replace design or operational standards required in the regulation; and
- e) The exemption of small businesses from all or any part of the requirements contained in the regulation.

It is believed there will be no adverse impact on small businesses.

(28) If data is the basis for this regulation, please provide a description of the data, explain in detail how the data was obtained, and how it meets the acceptability standard for empirical, replicable and testable data that is supported by documentation, statistics, reports, studies or research. Please submit data or supporting materials with the regulatory package. If the material exceeds 50 pages, please provide it in a searchable electronic format or provide a list of citations and internet links that, where possible, can be accessed in a searchable format in lieu of the actual material. If other data was considered but not used, please explain why that data was determined not to be acceptable.

There is no data, as defined under section (3) of the Regulatory Review Act (71 P.S. § 745.3), upon which this rulemaking is based.

(29) Include a schedule for review of the regulation including:

- | | |
|---|-------------------------------|
| A. The length of the public comment period: | n/a |
| B. The date or dates on which any public meetings or hearings will be held: | January 28, 2026 |
| C. The expected date of delivery of the final-form regulation: | First Quarter 2026 |
| D. The expected effective date of the final-form regulation: | Upon final publication |
| E. The expected date by which compliance with the final-form regulation will be required: | Upon final publication |
| F. The expected date by which required permits, licenses or other approvals must be obtained: | Ongoing |

(30) Describe the plan developed for evaluating the continuing effectiveness of the regulations after its implementation.

No formal review schedule has been established. Instead, the Board consistently reviews its regulations and proposes amendments as the need arises.

RECEIVED

Independent Regulatory
Review Commission

February 24, 2026

**FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU
(Pursuant to Commonwealth Documents Law)**

DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General

BY: _____
(DEPUTY ATTORNEY GENERAL)

DATE OF APPROVAL

Check if applicable
Copy not approved. Objections
attached.

Copy below is here by certified to be a true and correct copy of a document issued, prescribed or promulgated by:

Pennsylvania Gaming Control Board
(AGENCY)

DOCUMENT/FISCAL NOTE NO. 125-259

DATE OF ADOPTION: February 4, 2026

BY: *Denise J. Smyler*

TITLE Denise J. Smyler, Chair
(EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)

Copy below is hereby approved as to form and legality. Executive or Independent Agencies.

BY: *Stephen S. Cook*
Stephen S. Cook, Chief Counsel

February 4, 2026
DATE OF APPROVAL

(Chief Counsel, Independent Agency)
(Strike inapplicable title)

Check if applicable. No Attorney General approval or objection within 30 days after submission.

FINAL-OMITTED REGULATION 125-259

PENNSYLVANIA GAMING CONTROL BOARD

58 PA. CODE CH. 465a.

Accounting and Internal Controls

The Pennsylvania Gaming Control Board ("Board" or "PGCB"), under the general authority in 4 Pa.C.S. § 1202(b)(30) (relating to general and specific powers) and the specific authority in 4 Pa.C.S. § 13A02(1) and (2) (relating to regulatory authority) and section 204 of the act of July 31, 1968 (P.L.769, No.240), known as the "Commonwealth Documents Law," adopts the final-omitted regulations to read as set forth in Annex A.

Purpose of this Final-Omitted Rulemaking

This final-omitted rulemaking amends existing Board regulations relative to changes to federal tax policy. Specifically PGCB is adopting changes to clarify its expectations consistent with the Internal Revenue Services' setting of the threshold for the issuance of a W-2G form.

Explanation

Presently, 58 Pa. Code § 465a.26(b) (relating to jackpot and credit meter payouts) incorporates \$1,200 as a triggering threshold for the issuance of a W-2G tax form. At the time of adoption of this provision of the Board's regulations, \$1,200 was the threshold set by the Internal Revenue Service for the issuance of a W-2G tax form. As part of the One Big Beautiful Bill Act (Public Law 119-21), the IRS has been directed to adjust the W-2G threshold and subsequently for inflation thereafter. In recognition of this pursuit, the IRS released draft W-2G Form and Instructions on December 8, 2025, in which the \$2,000 threshold is clearly communicated for calendar year 2026.

PGCB concludes that it remains appropriate for the jackpot triggering threshold under PGCB regulations to coincide with the IRS' W-2G issuance threshold.

The regulation amendment of this final-omitted regulation package meet the contemplated criteria for final-omitted regulations under the Commonwealth Document Law.

1. Comments from the public are not necessary, appropriate, or beneficial.

The regulatory amendment of this package adopt language to clarify the interaction of PGCB regulations relative to federal tax policy. The Board views the required actions under § 465a.26(b) of its regulations to coincide with the federal tax threshold. With the IRS' W-2G update to the \$2,000 threshold, PGCB's regulations must update to maintain this parity.

Failure to expeditiously amend PGCB regulations also threatens an unconstitutional directive to Pennsylvania's gaming operators. Specifically, 58 Pa. Code § 465a.26(b)(ii) mandates that "Jackpot payouts that are equal to or greater than \$1,200 shall be accompanied by the issuance of a W-2G Form." Continued operation of this regulation would require Pennsylvania gaming operators to issue federal tax forms outside of and below the established rules of the IRS. Prevention of such a non-federal-supremacy conflict of laws mandates an expedited correction.

2. Persons subject to the regulations have received notice.

In response to questions received on the matter of § 465a.26(b) of the Board's regulation and the IRS' draft W-2G revisions, the Board's Executive Director sent a letter, dated December 30, 2025, to the affected licensees. The letter reminds licensees to follow federal tax policy, and informs them that the Board will undertake to update the regulation to reflect adjusting IRS W-2G thresholds. This final-omitted rulemaking addresses this language correction to PGCB regulation.

3. Notice is impracticable, unnecessary, or contrary to the public interest.

Specifically, the amendment being made represent a corrective measure to maintain proper reference to federal tax policy standards. Express notice of the language be proffered in this edit makes notice and comment unnecessary, and generally impracticable. And potential public comment would not tend to matters for deliberation or consideration in making this proposed regulatory correction.

Fiscal Impact

Commonwealth. The Board does not expect that this final-omitted rulemaking will have a fiscal impact on the Board or other Commonwealth agencies. Any updates to forms and internal control procedures will be reviewed by existing Board staff.

Political subdivisions. This final-omitted rulemaking will not have fiscal impact on political subdivisions of this Commonwealth.

Private sector. This final-omitted rulemaking corrects for discrepancy between PGCB regulation and federal tax policy. The regulated community is required to follow IRS tax directives. Revision of PGCB regulation to remain consistent with IRS policy ensures that PGCB licensees do not incur addition costs associated with an outdated PGCB regulation.

General public. This final-omitted rulemaking will not have fiscal impact on the general public.

Paperwork Requirements

This final-omitted rulemaking updates regulatory language to maintain the status quo in light of changed IRS tax policy. This revision is not anticipated to change existing paperwork requirements.

Effective Date

This final-omitted rulemaking will become effective upon publication in the Pennsylvania Bulletin.

Regulatory Review

Under section 5.1(c) of the Regulatory Review Act (71 P.S. § 745.5a(c)), the Board submitted a copy of the final-omitted rulemaking and a copy of the Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC), to the Chairpersons of the House Gaming Oversight Committee and the Senate Community, Economic and Recreational Development Committee, and to the Attorney General.

Findings

The Board finds that:

(1) Public notice of intention to adopt these amendments and opportunity for public comment may be omitted pursuant to section 204 of the act of July 31, 1968 (P.L. 769, No. 240) and the regulations thereunder, 1 Pa. Code §§ 7.4 (relating to omission of notice of proposed rulemaking).

(2) The adoption of the regulations prescribed in Annex A are necessary and appropriate for the administration and enforcement of 4 Pa.C.S. Part II (relating to gaming).

Order

The Board, acting under 4 Pa.C.S. Part II, orders that:

(1) Subpart E. Slot Machines, Table Game Device and Associated Equipment Testing and Control; Accounting and Internal Controls of the regulations of the Board be amended to read as set forth in Annex A.

(2) The Chairperson of the Board shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by Law.

(3) This order shall take effect upon publication in the Pennsylvania Bulletin.

DENISE J. SMYLER,
Chairperson

Annex A
TITLE 58. RECREATION
PART VII. GAMING CONTROL BOARD
SUBPART E. SLOT MACHINE, TABLE GAME DEVICE AND ASSOCIATED
EQUIPMENT TESTING AND CONTROL; ACCOUNTING AND INTERNAL
CONTROLS

Chapter 465a. ACCOUNTING AND INTERNAL CONTROLS

- 465a.1. Accounting records.
- 465a.2. Internal control systems and audit protocols.
- 465a.3. Forms, records and documents.
- 465a.4. Standard financial and statistical reports.
- 465a.5. Annual audit; other reports; suspicious activity and currency transaction reporting.
- 465a.6. Retention, storage and destruction of books, records and documents.
- 465a.7. Complimentary services or items.
- 465a.8. Licensed facility.
- 465a.9. Surveillance system; surveillance department control; surveillance department restrictions.
- 465a.10. Surveillance system recording formats.
- 465a.11. Slot machine licensee's organization; jobs compendium.
- 465a.12. Access badges and temporary access credentials.
- 465a.13. Possession of weapons within a licensed facility.
- 465a.14. Security department minimum staffing.
- 465a.15. Cage characteristics.
- 465a.16. Accounting controls for the cage.
- 465a.17. Bill validators, slot cash storage boxes and table game drop boxes.
- 465a.18. Transportation of slot cash storage boxes and table game drop boxes to and from the gaming floor; storage.
- 465a.19. Acceptance of tips or gratuities from patrons.
- 465a.20. Personal check cashing.
- 465a.21. Wire transfers.
- 465a.22. Cash equivalents.
- 465a.23. Customer deposits.
- 465a.24. Count room characteristics.
- 465a.25. Counting and recording of slot cash storage boxes and table game drop boxes.
- 465a.26. Jackpot and credit meter payouts.
- 465a.27. Annuity jackpots.
- 465a.28. Merchandise jackpots.
- 465a.29. Automated teller machines.
- 465a.30. Waiver of requirements.
- 465a.31. Gaming day.
- 465a.32. Signature.

- 465a.33. Access to areas containing central control computer equipment.
- 465a.34. Automated gaming voucher and coupon redemption machine accounting controls.
- 465a.35. Personnel assigned to the operation and conduct of table games.
- 465a.36. Table inventories.
- 465a.37. Procedures for opening table games.
- 465a.38. Procedures for distributing value chips, coins and plaques to gaming tables.
- 465a.39. Procedures for removing value chips, coins and plaques from gaming tables.
- 465a.40. Procedures for accepting cash for gaming chips, plaques or electronic wagering credits at table games.
- 465a.41. Procedures for drops at open table games.
- 465a.42. Procedures for closing table games.
- 465a.43. Table inventories for Poker tables.
- 465a.44. Table inventory counts on a per shift basis.

§ 465a.26 Jackpot and credit meter payouts.

(a) Prior to commencing gaming operations, a slot machine licensee shall establish a comprehensive system of internal controls addressing jackpot and credit meter payouts that are not paid directly from a slot machine, electronic wagering terminal or fully automated electronic gaming table. The internal controls shall be submitted to and approved by the Board under § 465a.2 (relating to internal control systems and audit protocols).

(b) The internal control procedures must, at a minimum, include:

(1) The use of a two-part electronically generated jackpot/credit meter payout slip created by a slot attendant or slot supervisor or higher slot operations department employee, verifying the winning wager or winning combination of characters or a code corresponding to the winning combination of characters on the slot machine, electronic wagering terminal or fully automated electronic gaming table and the amount of the jackpot or credit meter payout based on the observed winning wager or winning combinations.

(2) A requirement that if the jackpot or credit meter payout on a slot machine is equal to or **greater than the applicable Internal Revenue Service threshold for issuance of a W-2G tax form and less than or equal to [between \$1,200 and] \$9,999.99**, a security department member or a slot operations department member other than the preparer shall sign the jackpot/credit meter payout slip verifying the winning combination of characters or a code corresponding to the winning combination of characters on the slot machine, the amount of the jackpot or credit meter payout and the payment of the jackpot or credit meter payout to the patron. Notwithstanding the forgoing, if the licensee's slot or casino management system can independently verify a jackpot or credit meter payout, only the preparer is required to sign the jackpot/credit meter payout slip for payouts less than or equal to \$4,999.99 provided that the slot machine licensee's internal control reflect the following:

(i) If the slot machine licensee's slot or casino management system or the central control computer system are not fully operational, or when overrides or adjustments are required, two individuals shall verify a jackpot or credit meter payout that is equal to **greater than the applicable Internal Revenue Service threshold for issuance of a W-2G tax form and less than or equal to [between \$1,200 and] \$9,999.99** as specified in this paragraph.

(ii) Jackpot payouts that are equal to or greater than **[\$1,200] the applicable Internal Revenue Service threshold for issuance of a W-2G tax form** shall be accompanied by the issuance of a W-2G Form.

(3) A requirement that if the jackpot or credit meter payout is equal to or between \$10,000 and \$24,999.99 on a slot machine, or between \$5,000 and \$24,999.99 on a fully automated electronic gaming table or electronic wagering terminal, a security department member, a slot supervisor or other employee holding the same or greater level of authority than a slot supervisor shall sign the jackpot/credit meter payout slip verifying the winning wager or winning combination of characters or a code corresponding to the winning combination of characters on the slot machine, electronic wagering terminal or fully automated electronic gaming table, the amount of the jackpot or credit meter payout, and the payment of the jackpot or credit meter payout to the patron. If the two-part electronically generated jackpot/credit meter payout slip required under paragraph (1) is created by a slot supervisor or higher slot operations department employee, the verification required by this paragraph may be completed by a slot attendant, security department member, a slot supervisor or other employee holding the same or greater level of authority as a slot supervisor.



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February 24, 2026

Chair
DENISE J. SMYLER

Commissioners
SHAWN DILLON
GEORGE DUNBAR
EDWARD C. GAINEY
CHRISTOPHER W. HUFFMAN
SARA MANZANO-DÍAZ
MARIA D. QUIÑONES SÁNCHEZ

Ex-Officio Members
PAT BROWNE
STACY GARRITY
RUSSELL C. REDDING

Delivered via e-mail

David Sumner, Executive Director
Independent Regulatory Review Commission
555 Walnut Street, Suite 804
Harrisburg, PA 17101

RE: PGCB Final Omitted Rulemaking #125-259: Updates related to W-2G references

Dear Mr. Sumner:

Enclosed with this letter please find a copy of a final omitted rulemaking for review by the Independent Regulatory Review Commission (“Commission”) from the Pennsylvania Gaming Control Board (“Board”). This final omitted rulemaking provides updates to the sections of the Board’s regulations which incorporate and reference now outdated W-2G tax form issuance guidelines of the Internal Revenue Service (“IRS”). The IRS has raised the threshold from \$1,200 to \$2,000, with further incremental increases to follow based upon yearly inflation. PGCB seeks to expeditiously return its regulations to uniformity and non-conflict status with the IRS’ guidance on federal tax policy. The final omitted rulemaking was adopted by the Board on February 4, 2026.

This final omitted rulemaking was e-Delivered to the Office of the Attorney General, and the Majority Chair and Minority Chair of the House Gaming Oversight Committee, and the Majority Chair and Minority Chair of the Senate Community, Economic and Recreational Development Committee. Confirmation of these deliveries is contained in the final omitted rulemaking package accompanying this letter.

Sincerely,

Robert Wood
Senior Counsel

Enclosure

RECEIVED

From: [Bowman, Sally](#)
To: [Wood, Robert \(PGCB\)](#)
Subject: Re: E-Delivery of PGCB Final Omitted Rulemaking 125-259
Date: Tuesday, February 24, 2026 8:27:36 AM

Independent Regulatory
Review Commission
February 24, 2026

Confirmed. Thanks, Robert.

Sally M. Bowman (she/her)
PA Senate Dems
Director of Caucus Operations
55 EW
717-772-1737 (direct line)
717-982-3188 (cell)

From: Wood, Robert (PGCB) <rmwood@pa.gov>
Sent: Tuesday, February 24, 2026 8:12:44 AM
To: Bowman, Sally <Sally.Bowman@pasenate.com>; Derek Clepper (PA Sen Maj (R)) <dclepper@pasen.gov>; Jim Moser (PA House Maj. (D)) <jmoser@pahouse.net>; Jweeter <jweeter@pahousegop.com>
Cc: Posavec, Cheryl (PGCB) <cposavec@pa.gov>
Subject: E-Delivery of PGCB Final Omitted Rulemaking 125-259

EXTERNAL EMAIL

Good Morning,

This email serves as electronic delivery of PGCB Final Omitted Rulemaking #125-259. This Final Form Rulemaking relates to regulation updates referencing IRS W-2G issuance thresholds.

Attached to this email are the following documents:

1. Regulatory Analysis Form (PDF Format)
2. Face Sheet (PDF Format)
3. Preamble (PDF Format)
4. Annex A text (PDF format)

Please reply to this email confirming receipt of the materials on behalf of the Committee Chairs. A confirmatory email is required in order to be able to document delivery for IRRC. Thank you, and please let me know if you need anything else from the PGCB.

Robert Wood, Esq.

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Independent Regulatory
Review Commission

February 24, 2026

Senior Counsel
Pennsylvania Gaming Control Board

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February 24, 2026

From: [Elliott, Amy M.](#)
To: [Wood, Robert \(PGCB\)](#)
Cc: [Trotter, Carolyn](#); [Posavec, Cheryl \(PGCB\)](#)
Subject: Re: E-Delivery of PGCB Final Omitted Rulemaking 125-259
Date: Tuesday, February 24, 2026 8:21:27 AM

Good morning,

Receipt of the attached regulation is acknowledged.

Thank you,

Amy M. Elliott
Chief Deputy Attorney General
Legal Review Section
Pennsylvania Office of Attorney General
717-941-0523 (c)

From: Wood, Robert (PGCB) <rmwood@pa.gov>
Sent: Tuesday, February 24, 2026 8:13 AM
To: Elliott, Amy M. <aelliott@attorneygeneral.gov>
Cc: Trotter, Carolyn <trotter@attorneygeneral.gov>; Posavec, Cheryl (PGCB) <cposavec@pa.gov>
Subject: E-Delivery of PGCB Final Omitted Rulemaking 125-259

Good Morning,

This email serves as electronic delivery of PGCB Final Omitted Rulemaking #125-259. This Final Form Rulemaking relates to regulation updates referencing IRS W-2G issuance thresholds.

Attached to this email are the following documents:

1. Regulatory Analysis Form (word doc)
2. Face Sheet (PDF Format)
3. Preamble (word doc)
4. Annex A text (word doc)

Please reply to this email confirming receipt of the materials on behalf of the Attorney General's Office. Thank you, and please let me know if you need anything else from the PGCB.

Robert Wood, Esq.
Senior Counsel

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February 24, 2026

From: [Clepper, Derek](#)
To: [Wood, Robert \(PGCB\)](#)
Subject: RE: E-Delivery of PGCB Final Omitted Rulemaking 125-259
Date: Tuesday, February 24, 2026 8:29:36 AM
Attachments: [image002.png](#)
[image003.png](#)

On behalf of Senator Rosemary Brown, Chair of the Senate Community, Economic, and Recreational Development Committee, **I confirm receipt of PGCB Final Omitted Rulemaking 125-259.**

Thank you,

Derek R. Clepper, Esq.

Counsel/Executive Director

Senate Community, Economic & Recreational Development

Senator Rosemary M. Brown

172 Main Capitol Building

Harrisburg, PA 17120

Phone: 717-787-6123

dclepper@pasen.gov

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From: Wood, Robert (PGCB) <rmwood@pa.gov>
Sent: Tuesday, February 24, 2026 8:13 AM
To: Bowman, Sally <Sally.Bowman@pasenate.com>; Clepper, Derek <dclepper@pasen.gov>; Jim Moser (PA House Maj. (D)) <jmoser@pahouse.net>; Jweeter <jweeter@pahousegop.com>
Cc: Posavec, Cheryl (PGCB) <cposavec@pa.gov>
Subject: E-Delivery of PGCB Final Omitted Rulemaking 125-259
Importance: High

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February 24, 2026

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Robert Wood, Esq.
Senior Counsel
Pennsylvania Gaming Control Board

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February 24, 2026

From: [Moser, Jim](#)
To: [Wood, Robert \(PGCB\)](#)
Subject: RE: E-Delivery of PGCB Final Omitted Rulemaking 125-259
Date: Tuesday, February 24, 2026 2:12:21 PM

I'm sorry about that...I moved the email into its folder and forgot to let you know of its receipt.

Delivery is confirmed.

Thanks,
Jim

From: Wood, Robert (PGCB) <rmwood@pa.gov>
Sent: Tuesday, February 24, 2026 2:04 PM
To: Moser, Jim <JMoser@pahouse.net>
Subject: FW: E-Delivery of PGCB Final Omitted Rulemaking 125-259
Importance: High

Jim,

Just wanted to follow up and make sure you got the earlier message and can confirm delivery.

Robert Wood, Esq.
Senior Counsel
Pennsylvania Gaming Control Board

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From: Wood, Robert (PGCB)
Sent: Tuesday, February 24, 2026 8:13 AM
To: Bowman, Sally <Sally.Bowman@pasenate.com>; Derek Clepper (PA Sen Maj (R)) <dclepper@pasen.gov>; Jim Moser (PA House Maj. (D)) <jmoser@pahouse.net>; Jweeter <jweeter@pahousegop.com>
Cc: Posavec, Cheryl (PGCB) <cposavec@pa.gov>
Subject: E-Delivery of PGCB Final Omitted Rulemaking 125-259
Importance: High

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Senior Counsel
Pennsylvania Gaming Control Board

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February 24, 2026

From: [Jennifer Weeter](#)
To: [Wood, Robert \(PGCB\)](#)
Cc: [Micheale Totino](#)
Subject: RE: [EXTERNAL]: E-Delivery of PGCB Final Omitted Rulemaking 125-259
Date: Tuesday, February 24, 2026 12:04:27 PM

Confirmed
– Chairman Diamond's office

Jennifer Weeter
House Republican Caucus
Commerce Committee
Gaming Oversight Committee
138 Ryan Building
717-787-1119

From: Wood, Robert (PGCB) <rmwood@pa.gov>
Sent: Tuesday, February 24, 2026 8:13 AM
To: Bowman, Sally <Sally.Bowman@pasenate.com>; Derek Clepper (PA Sen Maj (R)) <dclepper@pasen.gov>; Jim Moser (PA House Maj. (D)) <jmoser@pahouse.net>; Jennifer Weeter <jweeter@pahousegop.com>
Cc: Posavec, Cheryl (PGCB) <cposavec@pa.gov>
Subject: [EXTERNAL]: E-Delivery of PGCB Final Omitted Rulemaking 125-259
Importance: High

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4. Annex A text (PDF format)

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Robert Wood, Esq.
Senior Counsel
Pennsylvania Gaming Control Board

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TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE REGULATORY REVIEW ACT

I.D. NUMBER: 125-250

RECEIVED

SUBJECT: Self-Exclusion Program Regulation Updates

Independent Regulatory
Review Commission

AGENCY: Pennsylvania Gaming Control Board

February 24, 2026

TYPE OF REGULATION

- Proposed Regulation**
- Final Regulation**
- Final Regulation with Notice of Proposed Rulemaking Omitted**
- 120-day Emergency Certification of the Attorney General**
- 120-day Emergency Certification of the Governor**
- Delivery of Tolled Regulation**
 - With Revisions** **Without Revisions**

FILING OF REGULATION

<u>DATE</u>	<u>SIGNATURE</u>	<u>DESIGNATION</u>
<u>HOUSE COMMITTEE -</u>		
2/24/26		MAJORITY CHAIR <u>Rep. Patrick J. Harkins, via e-delivery</u>
2/24/26		MINORITY CHAIR <u>Rep. Russ Diamond, via e-delivery</u>
<u>SENATE COMMITTEE -</u>		
2/24/26		MAJORITY CHAIR <u>Sen. Rosemary M. Brown, via e-delivery</u>
2/24/26		MINORITY CHAIR <u>Sen. Anthony H. Williams, via e-delivery</u>
2/24/26		<u>INDEPENDENT REGULATORY REVIEW COMMISSION</u>
2/24/26		David Sumner, via e-delivery
		<u>ATTORNEY GENERAL (for Final Omitted only)</u>
		via e-delivery
		<u>LEGISLATIVE REFERENCE BUREAU (for Proposed only)</u>