



51A Middle Street Newburyport MA 01950
Phone: 800-588-7039 Fax: 877-902-4284
contact@bhfe.com www.bhfe.com

Course Information

Course Title: Accounting for Casinos and Gaming #366322

Number of continuing education credit hours recommended for this course:

In accordance with the standards of the National Registry of CPE Sponsors CPE credits have been granted based on a 50-minute hour.

CPA: 10 (All states)

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 4761 (Ethics #11467)

Hawaii Board of Accountancy: 14003

New York State Board of Accountancy (for ethics): 002146

Ohio State Board of Accountancy: M0021

Pennsylvania Board of Accountancy: PX178025

Texas State Board of Accountancy: 009349

Course Description

The gaming industry is a unique environment for the accountant. There is far more cash than is normally found in most organizations, plus a number of different transactions to account for – jackpots, loyalty programs, gaming chips, comps, and more. The result can be bewildering for the accountant. The *Accounting for Casinos and Gaming* book is designed to bring clarity to the situation by providing an overview of gaming operations, and describing those accounting issues most relevant to a gaming entity.

Course Content

Publication/Revision date: 4/19/2022.

Author: Steven M. Bragg, CPA.

Final exam (online): Fifty Questions (multiple-choice).

Program Delivery Method: NASBA QAS Self-Study (interactive)

Subject Codes/Field of Study

NASBA (CPA): Accounting

Course Level, Prerequisites, and Advance Preparation Requirements

Program level: Overview

Prerequisites: Basic familiarity with accounting practices.

Advance Preparation: None

Instructions for Taking This Course

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- You must complete this course within one year of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- **To retain the course-PDF after completion (for future reference) and to enable enhanced navigation:** From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- Complete the course by following the learning objectives listed for the course, studying the text, and, if included, studying the review questions at the end of each major section (or at the end of the course).
- Once you have completed studying the course and you are confident that the learning objectives have been met, answer the final exam questions (online).

Instructions for Taking the Online Exam

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- A passing grade of at least **70%** is required on the exam for this course.
- You will have three attempts to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a printed copy of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

Have a question? Call us at 800-588-7039 or email us at contact@bhfe.com.

Learning Objectives

- Recognize the factors that can impact the level of gaming taxes.
- Identify the different types of games.
- Specify the responsibilities of a casino controller.
- Recognize the responsibilities of the cage staff, and the types of transactions that they handle.
- State the types of transactions used to supply chips to and remove cash from a gaming table.
- Recognize the calculation for gross gaming revenue.
- Identify the contents of a table drop box.
- Specify how a TITO system functions.
- Recognize the different accounting principles.
- Recall which accounting system incorporates the concept of being out of balance.
- Specify the source of the information for the trial balance.
- Recall the definition of revenue in the gaming industry.
- Identify the operations within a casino that can produce a deferred revenue liability.
- Specify the proper accounting for the different types of comps, promotional allowances, and deals offered to customers.
- Identify the situations in which a Form W-4 is used.
- Recognize the methods used to calculate employee compensation.
- Recall the timing of payroll tax deposits under the different deposit schedules.
- Specify how the FUTA tax is calculated.
- State the reasons why a casino might accept a write-down on a marker.
- Specify why the direct write-off method is not the best way to account for bad debts.
- Recall the costs that can be capitalized into a fixed asset.
- Specify the intent behind using the mid-month convention.
- Identify the calculations used for accelerated depreciation methods.
- Recall the proper accounting for idle assets.
- Identify the situations in which interest capitalization should be used.
- Specify the correct accounting treatment of loan commitment fees.
- Recall which information is listed in a loan amortization table.
- Specify the different types of theft that can arise in a casino.
- Identify the controls that can apply to comps, markers, bingo, and dealers.
- Recognize the logging mechanisms used to identify currency transaction reporting issues.
- Recognize the line items used in each of the financial statements.
- State the requirements for being subject to the Bank Secrecy Act, and the reporting requirements associated with it.

About the Author

Steven Bragg, CPA, has been the chief financial officer or controller of four companies, as well as a consulting manager at Ernst & Young. He received a master's degree in finance from Bentley College, an MBA from Babson College, and a Bachelor's degree in Economics from the University of Maine. He has been a two-time president of the Colorado Mountain Club, and is an avid alpine skier, mountain biker, and certified master diver. Mr. Bragg resides in Centennial, Colorado. He has written more than 250 books and courses, including *New Controller Guidebook*, *GAAP Guidebook*, and *Payroll Management*.

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Preface

The gaming industry is a unique environment for the accountant. There is far more cash than is normally found in most organizations, plus a number of different transactions to account for – jackpots, loyalty programs, gaming chips, comps, and more. The result can be bewildering for the accountant. The *Accounting for Casinos and Gaming* book is designed to bring clarity to the situation by providing an overview of gaming operations, and describing those accounting issues most relevant to a gaming entity.

The book is divided into three sections. In Chapter 1, we describe the elements of a gaming business and how it is organized. In Chapters 2 through 8, we start with the system of accounting and then progress through all of the accounting topics that may apply to a casino, including the derivation of gaming revenue, transfer pricing, payroll, and fixed asset accounting. In Chapters 9 through 11, we describe the many controls and policies needed to reduce the risk of loss, as well as those gaming-specific aspects of financial reports and disclosures, and federally-mandated currency reporting.

You can find the answers to many questions about the accounting for casinos and gaming in the following chapters, including:

- How is a casino organized?
- What is the most appropriate accounting for promotions?
- What is the accounting for a gaming license?
- What are the steps required to prepare a payroll?
- What are the special considerations when collecting overdue debt from customers?
- How is the cost of interest capitalized into a newly-constructed casino?
- What types of controls are needed on the casino floor?
- What are the obligations of a casino when reporting currency transactions to the government?

The *Accounting for Casinos and Gaming* book is designed for students and professionals, who can use it to gain an understanding of accounting operations in the gaming industry.

Centennial, Colorado
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