Pennsylvania (USA)

Online casino launch roadmap

Pennsylvania Gaming Control Board (PGCB)

A slot machine licensee holds the interactive gaming certificate and you run the skin as its licensed interactive gaming operator, paying the highest slot tax of any US iGaming state.

- Recommended path
- Optional, worth it
- Alternative route

LICENCE	TIME TO LAUNCH	GAMING TAX	SETUP COST	LOCAL PRESENCE	DIFFICULTY
Interactive gaming certificate (slot machine…	**9-12 months (book estimate)**	**Online slots 52% state tax plus 2% local share…**	**USD 800K-1.2M (book estimate) plus statutory…**	**Board-approved equipment location in Pennsylvania or…**	**High**

STAGE 1 · Weeks 0-8 — Market and legal feasibility

- Choose the licensed partner (skin) — 1.1
- Model the 54% slot tax — 1.3
- Qualified gaming entity path — 1.2
- Weigh PA against NJ and MI — 1.4

STAGE 2 · Months 1-9 — Entity, certificate and licensing

- Interactive gaming operator licence — 2.1
- Operator agreement terms — 2.3
- Certificate authorization fees — 2.2
- Principal and supplier probity — 2.4

STAGE 3 · Months 3-9 — Platform, hosting and suppliers

- Equipment location approval — 3.1
- Platform and game supplier licensing — 3.3
- Data kept in Pennsylvania on request — 3.2
- Technical standards (809a, 809b) — 3.4

STAGE 4 · Months 5-10 — Player controls and compliance

- Enhanced KYC and MFA — 4.1
- Self-exclusion list integration — 4.3
- Geolocation and proxy betting — 4.2
- AML program — 4.4

STAGE 5 · Months 5-10 — Payments and treasury

- Separate gross revenue account — 5.1
- Payment methods and processors — 5.3
- Player funds and withdrawals — 5.2

STAGE 6 · Months 7-11 — Certification and testing

- Lab testing and PGCB approval — 6.1
- Security and resilience testing — 6.3
- Internal controls filing — 6.2
- Reporting feeds — 6.4

STAGE 7 · Months 9-12 — Go-live

- PGCB launch approval — 7.1
- Marketing review — 7.3
- Operations readiness — 7.2

STAGE 8 · After launch — Ongoing obligations

- Weekly tax and monthly reporting — 8.1
- Change management — 8.3
- Renewals — 8.2
- Incident handling — 8.4

Pennsylvania (USA): launch roadmap in detail

Pennsylvania Gaming Control Board (PGCB) · as of 2026-11

Licence	Interactive gaming certificate (slot machine licensee or qualified gaming entity, 4 Pa.C.S. 13B) plus an interactive gaming operator licence for the platform company
Time to launch	9-12 months (book estimate)
Gaming tax	Online slots 52% state tax plus 2% local share assessment (54%); online table games and poker 14% plus 2% local share (16%)
Setup cost	USD 800K-1.2M (book estimate) plus statutory authorization fees: USD 1,000,000 per operator, USD 4,000,000 per game category or USD 10,000,000 for all, on the certificate
Local presence	Board-approved equipment location in Pennsylvania or the US, primary and secondary DNS/servers in separate secure data centers; revenue data kept in the Commonwealth if the Board requires
Difficulty	High

1. Market and legal feasibility Weeks 0-8

1.1 Choose the licensed partner (skin) RECOMMENDED

Pennsylvania authorizes interactive gaming through slot machine licensees, who apply for an interactive gaming certificate. Your company then becomes an interactive gaming operator working under that certificate holder. The partner's casino brand and database, plus its willingness to share margin, drive the deal. Note that Mount Airy stopped offering internet gaming in July 2026, so partner availability changes.

In the book: Ch. 06 Licensing Guide, Ch. 07 Casino Implementation Planning and Timeline

1.2 Qualified gaming entity path ALTERNATIVE

A qualified gaming entity can get an interactive gaming certificate without owning a Pennsylvania casino, if it meets the statutory definition (broadly, an existing licensed gaming operator elsewhere with the track record the Act requires). It pays USD 4,000,000 per authorized game category. Confirm eligibility with PGCB counsel before relying on it.

In the book: Ch. 06 Licensing Guide

1.3 Model the 54% slot tax RECOMMENDED

Section 13B52 sets 52% on slot-style non-peer-to-peer games and 14% on table-style games and peer-to-peer. PGCB reports add a 2% local share assessment on top. Slot-heavy lobbies are thin-margin here, so the table and live mix and the partner share matter. Check for legislative changes before you commit.

In the book: Ch. 15 Casino Mathematics and Game Economy, Ch. 30 FinOps Deep Dive

1.4 Weigh PA against NJ and MI OPTIONAL

Pennsylvania lets equipment sit anywhere in the US with Board approval, which is easier than New Jersey, but the tax is steeper. Compare fully loaded cost per player for each state.

In the book: Ch. 03 Global Market Analysis, Ch. 29a On-Premises Infrastructure for US-Regulated iGaming

2. Entity, certificate and licensing Months 1-9

2.1 Interactive gaming operator licence RECOMMENDED

Each operator pays a one-time nonrefundable USD 1,000,000 authorization fee within 60 days of Board approval, and USD 100,000 on licence renewal (4 Pa.C.S. 13B51). The certificate holder files the petition and you file the operator application, with full disclosure of your owners and officers.

In the book: Ch. 06 Licensing Guide, Ch. 09 Legal Framework and Contracts

2.2 Certificate authorization fees RECOMMENDED

A slot machine licensee that petitioned within the first 90 days paid USD 10,000,000 for all categories. Later petitioners and qualified gaming entities pay USD 4,000,000 for each category (slots, tables, poker). The certificate renews at USD 250,000. These fall on the casino partner, so settle who bears them in the contract.

In the book: Ch. 06 Licensing Guide, Ch. 09 Legal Framework and Contracts

2.3 Operator agreement terms RECOMMENDED

Cover revenue share, who holds the player funds account, marketing approval, data ownership, regulatory cooperation and exit. The certificate holder is accountable to PGCB for your conduct, so expect broad audit and termination rights.

In the book: Ch. 09 Legal Framework and Contracts, Ch. 47 Platform Onboarding: From Contract to First Real-Money Bet

2.4 Principal and supplier probity RECOMMENDED

PGCB investigates owners, officers and key staff, and requires suppliers and service providers to hold the right licence or registration for what they do. Check each vendor's PGCB status before integration, not after.

In the book: Ch. 06 Licensing Guide, Ch. 10b Supplier Integration Control Plane

3. Platform, hosting and suppliers Months 3-9

3.1 Equipment location approval RECOMMENDED

58 Pa. Code 809a.3 says the Board approves the location of all interactive gaming devices. They can sit in a restricted area at the casino, within the county of the licensed facility, or at any other location in the United States that meets the conditions. The primary DNS server must be in a secure data center, and redundancy and emergency servers must be in a separate secure data center within the Commonwealth.

In the book: Ch. 29a On-Premises Infrastructure for US-Regulated iGaming, Ch. 29b Datacenter Infrastructure for Regulated Gaming, Ch. 27 Data Residency and Backup/Recovery

3.2 Data kept in Pennsylvania on request RECOMMENDED

The Board may require revenue calculation data, player and game transactions, game outcomes and responsible gaming data to be kept in the Commonwealth, protected against unauthorized change. Design the data layer so these sets can be pinned to a Pennsylvania store.

In the book: Ch. 27 Data Residency and Backup/Recovery, Ch. 34b Data Governance for iGaming Platforms

3.3 Platform and game supplier licensing RECOMMENDED

Game developers, platform vendors and other suppliers need the PGCB supplier or manufacturer licence for their category, and each game and platform version is tested before it goes live. Track licence status and approved build in one registry.

In the book: Ch. 10b Supplier Integration Control Plane, Ch. 10 Complete Platform Architecture, Ch. 17 Random Number Generation (RNG)

3.4 Technical standards (809a, 809b) RECOMMENDED

Chapter 809a covers interactive gaming platform requirements and the 809b technical standards cover areas like geolocation. Map each requirement to a control and an evidence artifact early; PGCB's lab compares your documentation to the system.

In the book: Ch. 25 GLI-GSF Compliance Framework: Online Gaming Information Security, Ch. 25b Regulatory Reporting and Evidence Export

4. Player controls and compliance Months 5-10

4.1 Enhanced KYC and MFA RECOMMENDED

PGCB's November 2024 industry guidance set deadlines in 2025 for enhanced KYC, multi-factor authentication and payment controls. An account first created in another jurisdiction has to meet the enhanced requirements before any Pennsylvania activity. Players must be 21 or older. Build the verification evidence store to survive audit.

In the book: Ch. 24d KYC Evidence Lifecycle, Ch. 24 Security and Compliance, Ch. 19 Anti-Fraud System Deep Dive

4.2 Geolocation and proxy betting RECOMMENDED

Block bet placement until a geolocation re-check confirms the player is in a permitted location (809b.7). A PGCB letter from October 2023 requires procedures to monitor for proxy wagering, and geolocation vendors send weekly suspected proxy betting reports to operators.

In the book: Ch. 24e Geofencing and Location Verification, Ch. 27b The Jurisdiction Transfer Gateway and Cookie Consent, Ch. 19 Anti-Fraud System Deep Dive

4.3 Self-exclusion list integration RECOMMENDED

Screen every registration, login and marketing send against the PGCB self-exclusion list. BetMGM was fined USD 260,905 after 152 excluded players could gamble. Treat list sync as a production-critical job with alarms.

In the book: Ch. 26 Responsible Gaming and Player Protection Systems, Ch. 26b Self-Exclusion Registries: From API to Audit Trail

4.4 AML program RECOMMENDED

Operators and certificate holders need a Bank Secrecy Act program with suspicious activity reporting and employee training. Add monitoring for structuring, chip-dumping in poker and mule accounts.

In the book: Ch. 19 Anti-Fraud System Deep Dive, Ch. 24 Security and Compliance, Ch. 33 Operational Playbooks

5. Payments and treasury Months 5-10

5.1 Separate gross revenue account RECOMMENDED

Section 13B52(b) requires a separate bank account into which gross interactive gaming revenue is deposited and held until paid to the Department of Revenue. Tax is payable weekly based on the previous week. Automate the weekly calculation and payment, with reconciliation to the game ledger.

In the book: Ch. 36 Financial Operations, Ch. 36b The Financial Truth Layer -- Ledger, Treasury, and Reconciliation

5.2 Player funds and withdrawals RECOMMENDED

Keep player balances reconciled and segregated, and make withdrawal timing visible to compliance. Failure patterns, such as stuck withdrawals, generate complaints to PGCB.

In the book: Ch. 36 Financial Operations, Ch. 36b The Financial Truth Layer -- Ledger, Treasury, and Reconciliation, Ch. 33d Disputes, Chargebacks, and Player Support

5.3 Payment methods and processors RECOMMENDED

Cards, ACH, online banking, PayPal and cash at the cage cover most volume. Use processors that are registered for the market and test decline handling. Crypto is not a viable method here.

In the book: Ch. 36 Financial Operations, Ch. 33d Disputes, Chargebacks, and Player Support

6. Certification and testing Months 7-11

6.1 Lab testing and PGCB approval RECOMMENDED

Submit the platform, RNG and games for testing against GLI-19 and the PGCB technical standards, and then for PGCB laboratory approval. Plan for iteration, and tell the lab early about third-party integrations such as geolocation and payments.

In the book: Ch. 25 GLI-GSF Compliance Framework: Online Gaming Information Security, Ch. 17 Random Number Generation (RNG), Ch. 32 Testing and QA in Gambling

6.2 Internal controls filing RECOMMENDED

File written internal controls for account management, game operations, responsible gaming and reporting. Keep them consistent with what the system really does.

In the book: Ch. 25 GLI-GSF Compliance Framework: Online Gaming Information Security, Ch. 24 Security and Compliance

6.3 Security and resilience testing RECOMMENDED

Penetration testing, failover to the second Pennsylvania data center and logging checks should be done before PGCB inspection, not after.

In the book: Ch. 24 Security and Compliance, Ch. 23 DevSecOps for iGaming, Ch. 27 Data Residency and Backup/Recovery

6.4 Reporting feeds RECOMMENDED

Build the revenue, player and exclusion reports PGCB and the Department of Revenue require and run them in parallel with the finance close before launch.

In the book: Ch. 25b Regulatory Reporting and Evidence Export

7. Go-live Months 9-12

7.1 PGCB launch approval RECOMMENDED

Go-live needs Board approval for the operator, platform and games, and the certificate holder must be in good standing. Expect a soft launch with limited players first.

In the book: Ch. 07 Casino Implementation Planning and Timeline, Ch. 40 Case Study -- Launching in a New Regulated Market

7.2 Operations readiness RECOMMENDED

Train support and RG teams, write escalation paths, and run an outage drill for geolocation and payments before opening registration.

In the book: Ch. 08 Team Structure and Operations, Ch. 33 Operational Playbooks, Ch. 35 Incident Management

7.3 Marketing review RECOMMENDED

Review bonus terms, advertising claims and affiliate programs with counsel. The certificate holder shares responsibility.

In the book: Ch. 37 Marketing Technology and CRM Systems, Ch. 09 Legal Framework and Contracts

8. Ongoing obligations After launch

8.1 Weekly tax and monthly reporting RECOMMENDED

Weekly gross revenue tax, the local share assessment and monthly PGCB reports are routine. PGCB publishes operator revenue monthly, so your numbers are visible.

In the book: Ch. 25b Regulatory Reporting and Evidence Export, Ch. 36b The Financial Truth Layer -- Ledger, Treasury, and Reconciliation

8.2 Renewals RECOMMENDED

Certificate renewal costs USD 250,000 and operator licence renewal USD 100,000 under 13B51(c). Keep ownership and key employee changes filed on time.

In the book: Ch. 06 Licensing Guide

8.3 Change management RECOMMENDED

Game releases, platform upgrades and data center changes need Board notice or approval. Link your release pipeline to the approval register.

In the book: Ch. 10b Supplier Integration Control Plane, Ch. 23b DevSecOps Pipeline Implementation: From GitHub Actions to Self-Hosted GitLab CI, Ch. 25 GLI-GSF Compliance Framework: Online Gaming Information Security

8.4 Incident handling RECOMMENDED

Prepare for outages, breaches and integrity events with regulator notice timelines in the playbook.

In the book: Ch. 35 Incident Management, Ch. 35b Cash-Flow Integrity Incident Response

Common pitfalls

- Assuming a 'licence' is enough. You need a certificate holder and an operator licence, and the contract decides who pays the USD 4M-10M certificate fees.
- Ignoring the 2% local share assessment when modeling the slot tax. Effective slot burden is 54%, not 52%.
- Putting both primary and secondary servers in the same facility. 809a.3 requires redundancy servers at a separate premises within the Commonwealth.
- Treating the self-exclusion sync as a batch job nobody watches. Excluded players getting through has produced published fines.
- Reusing out-of-state accounts without the enhanced KYC and MFA checks PGCB asked for in 2024 guidance.
- Weak proxy-betting monitoring. PGCB wants documented procedures and review of geolocation vendor reports.
- Relying on old statutory fee numbers. Check the current Chapter 13B and any fee changes before filing.

Sources

1. Act 42 of 2017 (4 Pa.C.S. Chapter 13B, sections 13B51 and 13B52)
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2. 58 Pa. Code 809a.3 Location of equipment
   https://www.law.cornell.edu/regulations/pennsylvania/58-Pa-Code-SS-809a-3
3. 58 Pa. Code Chapter 809a Interactive Gaming Platform Requirements
   https://regulations.justia.com/states/pennsylvania/title-58/part-vii/subpart-l/chapter-809a

4. PGCB July 2026 revenue release
   https://gamingcontrolboard.pa.gov/node/718450
5. PGCB monthly interactive gaming report summary FY26-27
   https://gamingcontrolboard.pa.gov/sites/default/files/2026-08/FY26-27%20Monthly%20Interactive%20Gaming%20Report%20Summary.pdf
6. PGCB industry guidance, November 2024
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7. PGCB technical standards section 809b7 (geolocation)
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Companion to *The Backend of Luck*. Regulations change; check every figure with the regulator and local counsel before you rely on it. This is engineering guidance, not legal advice.