

PS 117: What If You Won Big Money? Live | AZ Slots in 2020

Opening

Hello! Today's episode #117 of the Professor Slots podcast discusses what happens when you win a \$60,000 jackpot. Are you ready? What's your plan? Plus, in this episode, I'll be covering the current state of slot machine casino gambling in the great U.S. state of Arizona.

Thank you for joining me for the Professor Slots podcast show. I'm Jon Friedl and this is the podcast about slot machine casino gambling. It is where I provide knowledge, insights, and tools for helping you improve your slot machine gambling performance.

On Last Week's Episode...

In case you missed it, on my last episode I went over how Nevada's regulations leads the world's gaming industry including slots from my weekly live stream Q&A session on YouTube.

Further, I reviewed American Samoa slot machine casino gambling in 2020.

I hope you enjoyed listening to my last episode as much as I enjoyed making it for you.

Call to Action (add sound effect afterward)

Remember to visit professorslots.com/subscribe to get my Free Report Revealing ... The top 7 online resources for improving your gambling performance, including the one I've used as a top-tier slot machine casino gambler.

YouTube Q&A Session from Saturday, November 14, 2020

Here's the audio recording of my latest live stream Q&A session.

OPENING

Hello, slots enthusiasts! How are you? My name is Jon Friedl. Welcome to Professor Slots, a channel devoted to mastering casino slots so you can win your way to success!

Maybe you've won many hand pays already or maybe you haven't won any. Either way, there's always the possibility of a bigger jackpot than you've ever had. Maybe you've won hundreds of dollars but are shocked when you first won thousands of dollars. Or

maybe you've thousands of dollars but then find out what it's like to win a jackpot worth tens-of-thousands of dollars. As you master casino slots through these live streams and my other content and consultations, I expect you to win more and more often, like Steve from North Carolina who commented in the live chat recently that he'd won over 50 hand pays in the last year based on my content. Imagine what that must have been like. I've been there. It kind of blows your mind.

It's important to be prepared in advance to win big. Shock, awe, and confusion was what I went through to learn this myself, but your experience doesn't need to be like that. Today we're going to be diving into what it's like to win a big, big hand pay...

It's great to see you all here again for another Professor Slots podcast episode and live stream. If you're with us live, be sure to say hello and ask your slots-related questions! I'll get to those a little later in the show.

BODY

INTRODUCTION

Are you ready? Are you ready to win a 60-thousand-dollar slot machine jackpot? Are you sure? From making the bet to income tax preparation, I'll go over everything you'll be faced with having to deal with.

One of my biggest issues with slot machine casino gambling has been the surprises, like winning an unexpectedly large jackpot. Of course it's possible to win big jackpots. We all know that's possible, so ... why not be ready? Here's what to expect if you win big.

WHAT IT'S LIKE TO WIN BIG

I've won 90 taxable jackpots in 9 months in a U.S. state where slot machine jackpots became automatically taxable at \$1,200. Of those hand pays, three exceeded \$10,000. On average, 1 in 30 of those 90 jackpots exceeded \$10,000. This excludes the \$40,000 cash option I got for winning a car at the end of those 9 months.

My first big jackpot was for \$27,000. So far, this is my largest jackpot won playing slot machines. I won it early on Saturday, December 21, 2013, at 5:40 a.m. at Horseshoe Cincinnati, since purchased and renamed JACK Cincinnati Casino then sold again last year to become Hard Rock Cincinnati.

I won this \$27,000 hand pay on a Red-Blue-White Seven's slot machine in the high limit slots room. I'd made the maximum bet on this \$10-denomination, 2-credit slot machine.

I was checking to see if I could cycle my bankroll on this slot machine. I was testing to see if it was a winning slot machine. I'd just about decided I was wasting my money because it wasn't showing any evidence of bankroll cycling when it hit.

I remember the moment clearly. It was very early in the morning. I'd started my session at 4 a.m. and had already won a small hand pay. I remember seeing someone win their own hand pay behind me but couldn't see how much.

A floor manager was there with the slot attendant during their hand pay, so it must have been over \$10,000. As the floor manager and slot attendant walked away after the hand pay, they began walking by me.

Just as they approached, my \$27,000 jackpot hit. I looked down, saw the 2,700-credit hit, looked up at the floor manager looking at me, and swore.

That was embarrassing. I don't usually swear. But, at that moment, I felt the need to do so. I swore right while looking the floor manager in the eye. He kept walking, now with a frown.

I called out to him, to explain. "Excuse me! Sorry about that! I didn't mean to swear, but I just won a jackpot. A really big jackpot!" They came back.

Right about then, within a few seconds after the slot machine hit, I basically went into shock. Since I'd started gambling again after nearly 10 years, my biggest jackpot was \$5,000. I'd won it three times over the last month, since I'd started gambling, and every time was hard on me.

But now, I'd won more than 5 times that. It wasn't easy. I remember telling the floor manager how unreal and dreamlike it felt. I even asked the slot attendant to pinch me. She did. It didn't help.

And, after the hand pay, I had trouble deciding what to do next. Should I just go on with my day? Should I stick to the plan I had had in mind? Or was my plan of gambling all day ruined? Hint: You're done – go home.

Can you imagine how I was feeling? I know some of you can indeed imagine it. I know because some of you have won even bigger jackpots while playing slots.

HOW TO BE READY, JUST IN CASE

Are you ready to win a big jackpot the next time you play a slot machine? To be ready, you'll need some basic essentials like your government-issued I.D. But there are other ways you'll probably want to be ready, which we'll go over in a moment.

You'll need the government-issued I.D. to receive a taxable jackpot at a casino. That's crucial. If you don't have it with you, nice casinos will let you go to your car for it. But I don't think you should count on the casino letting you go home to get it.

If you're anything like me, you might find yourself not quite yourself after winning a big jackpot. To be ready, think it through in advance. Make yourself a plan. Then, if/when it happens, all you need to do is remember the plan.

It doesn't have to be a complicated plan. Just ask yourself this simple question. After you get the hand pay, will you stay or will you go? There will be more decisions to make, but that's really the most important one.

As I tell my college students, I don't care what your plan is. I care that you have a plan. We're not having a career discussion right now, but I think you get the point.

Will you leave the casino or will you make a day or night, or day AND night, of it? Personally, I'd leave. I'd leave as soon as I could. I didn't know that in advance of my biggest jackpot, but I do now. That's my plan. What's yours? Comment in the live chat or on this video if you're watching it later. If you're listening on the podcast, leave a voicemail or send a text message at 702-90-SLOTS.

INTERLUDE

Let's check in with the Live Chat to briefly say hello...

That was excellent!

BODY

CHOICES: HANDLING THE HAND PAY

So, imagine you've just won your biggest jackpot ever. And, you have your I.D. You might even have a player's club card so your personal information is on file with the casino. Next up is the hand pay and more decisions.

If you've never won a taxable jackpot before, no matter what size, the hand pay process is straight-forward. You win a jackpot. The machine locks up. A slot attendant comes automatically. You do paperwork. Someone else shows up to verify the jackpot. Finally, you're paid.

As it happens, I've already explained the hand pay process when winning a taxable jackpot playing slots. That's now both a video and website article. Links to both will be in the video description and podcast show notes. For listeners, it's also way back in podcast episode #7.

For those of you who have already won jackpots under \$10,000, there are some slight changes to this process when winning big jackpots. In most states, jackpots of \$10,000 or more require that the jackpot verifier is a floor manager rather than another slot attendant.

Tip #1: You can tip the slot attendant, and in my opinion should, but you can't tip the floor manager. If they say it's okay, the floor manager will take a tip to put into the group tip jar for all the slot attendants. But, typically, floor managers can't receive tips.

Tip #2: This is your chance to meet a floor manager. It's a priceless opportunity. Get to know them. Make friends, if you can. Floor managers know a lot more about what's going on in a casino than slot attendants. Ask questions. Be nice. Thank me later.

You do have another choice to make, however. For jackpots just over the taxable limit but under \$10,000, casinos may provide banded stacks of \$5,000 when you ask for cash instead of a check. Other casinos only provide banded stacks of \$10,000.

I'm trying to get away from collecting those paper bands around \$10k in hundreds, but it's been a surprisingly difficult habit to break. Here's the two bands I got for that \$27,000 jackpot I was telling you about.

Either way, for a large jackpot where you ask for cash, you can expect banded stacks (sometimes called bricks) of hundred-dollar bills. Personally, I have found it's nice when a slot attendant counts out 100-dollar bills in my hand. Professionally, I advise you to take most or all the jackpot as a check.

That is if your plan includes requesting some or all your taxable jackpot in cash. It's really your choice, however. What's your plan, again? Remember, preparation is key.

WHAT COMES AFTERWARD

If you do request cash and end up leaving the casino without spending it, I should mention what happens at a bank when you go to deposit \$10,000 or more in cash. It's just the same as any other cash deposit, except for the Currency Transaction Report (CTR).

The CTR is a reporting requirement for U.S. financial institutions regarding all cash deposits, withdrawals, and currency exchanges of \$10,000 or more. When making a deposit of at least \$10,000, it will be reported to the Financial Crimes Enforcement Network (FinCEN) within the U.S. Treasury Department.

FinCEN was created in 1990 and became its own bureau under the USA Patriot Act passed in 2002. In part, it monitors and analyzes financial transactions for illegal transactions. This includes financial crimes related to money laundering and corruption.

Over recent years, I've deposited more than \$10,000 multiple times at my bank and never had a concern. They do ask where the money came from to which I typically respond, "I won it at the casino."

I don't think you have any cause for concern as earning money at a casino isn't an illegal transaction. My lack of concern here hinges on understanding that big jackpots generate a W-2G tax form when won at a casino. So, if FinCEN does become interested, it wouldn't take much for the U.S. Treasury to confirm the source of that much cash.

Nevertheless, I thought you should know about the CTR. There is another aspect to accepting a lot of cash you should probably be aware of. In my mind, it's more practically important than the CTR. It's this: How much cash can you carry?

Let's say you're wearing a pair of jeans or trousers with typical size pockets. Let's further say you're not wearing a jacket or carrying any sort of purse. Finally, let's assume all your cash is in \$100 bills. Under those circumstances, how much cash can you carry without it being in your hand or sticking out somewhere for anyone to notice?

With a wallet in one pocket and a mobile phone in another, I've been able to tuck away 200 \$100 bills, that's only \$20,000, in all the pockets of a typical pair of men's jeans. Let's say you won a big jackpot which you accepted as cash and after taxes have \$50,000 in your hand.

What do you do with it? Yes, you can fill all your pockets with \$20,000 of it. What about the remainder? Do you ask the casino to provide a brown paper bag, perhaps? I've been in this situation and faced this dilemma. Once again, make sure you have a plan in case you win.

One final note about getting home. Feel free to ask the casino for security to walk you to your car. They're perfectly happy to do so. Unlike me, try to remember where you parked your car. Take it from me, it can be surprisingly hard to remember that little fact when you're clutching tens of thousands of dollars in your sweaty hands.

PREPARING FOR INCOME TAXES

One time I was sitting two seats away from someone who looked like they had never been in a high limit slots room at a casino. Do you know that look? Anyway, they looked both nervous and like they wanted to go.

Suddenly, and it's always sudden, they won a \$4,800 jackpot. They just nodded to themselves and started hitting the cash-out button. Which, naturally enough, wasn't working because the slot machine had locked up due to winning a taxable jackpot.

When the cash out button wouldn't work, they turned and looked at me with a question in their eyes. This is where I walked right into trouble. I said, "Oh, the machine's locked up because you've won a big jackpot. Don't worry, the slot attendant should be here any moment to help you with getting it as well as paying taxes."

I was just trying to be helpful. I imagine you know what happened next. “Taxes? Taxes?!” As they became more and more upset at me, I tried to disengage from the conversation. Luckily for me, the slot attendant arrived right about then to save me.

Slot attendants are great. Seriously. I always remember how upset this taxable jackpot winner was whenever I work with a slot attendant. It is what I remember whenever I tip my slot attendant after winning my own taxable jackpots.

So, if or when you win a taxable jackpot, you’ll be working with a slot attendant. I’ve already described what that is like. But let’s discuss gambling income taxes for a moment.

On Twitter, one of my 10,000-plus followers said, “The amount of the taxable jackpot needs to be raised.” My response was, “Why? It’s still taxable, even if you don’t get a W-2G hand pay. But I do appreciate the sentiment. I really do.”

If you win \$10 at a casino, it’s taxable income. This gets confusing fast though, because what if you spend that \$10 in the next few minutes without it ever leaving the slot machine? Sometime later, we can talk about the more practical aspects of casino gambling and disconnects with general requirements from the IRS. In brief, the IRS says all gambling income is taxable and state gaming regulations usually say using an electronic device during gaming is a felony. A practical compromise would be to record how much bankroll you walk into a casino with and how much winnings you walk out with, including the free market value of any gifts. At least, doing this is possible.

What isn’t in dispute is what happens when the casino issues a W-2G income tax form reported directly to the IRS. If you choose to accept a taxable jackpot, then you will receive a W-2G.

As an aside, some people can’t afford or otherwise don’t want taxable jackpots. For instance, my family friends Lois and Dave in my article Seminole Brighton Casino Florida Trip Report and podcast episode #27 are from Canada and are often in the live chat.

For them, any gambling income from their annual visits to U.S. casinos is foreign income and potentially subject to taxation by the Canadian government and may result in a change to their type of visa. Yikes! And apparently, as usual with income taxes, what to do is very individualized.

My admittedly limited understanding is, and please don’t consider me as any kind of expert with regards to international tax law, my Canadian friends can earn some income when gambling in the U.S. – but not a lot of income. A \$60,000 taxable jackpot may well be too much, may cause too difficult of a situation, and is therefore unwanted. Maybe.

You can always choose not to accept a taxable jackpot. You can choose to walk away. An old slots joke is: “The only way to legally avoid paying taxes after winning a jackpot of \$1,200 or more is to simply not accept the winnings.”

That’s funny, yes? It’s funny but true. Also, be aware the taxable limit is instead \$600 in some states like Massachusetts, at least for the moment. Who wants that and why? That’s yet another topic we can talk about later, sometime, especially if it becomes more common.

Finally, there are the tax choices you’ll need to make when filling out the paperwork for the taxable jackpot with the slot attendant.

- A federal income tax withdrawal from your winnings is typically optional.
- State income tax withdrawal is very state-dependent.
- Local income tax withdrawal exists if the casino you are at is located within a city’s limits.
- Other withdrawals may exist such as a nonrefundable 3% tax on jackpots over \$1,200 in Mississippi as imposed by their Gaming Commission.

If you keep good gambling records, it usually works out well to choose to not pay federal taxes. Why? Because keeping good gambling records means you’ll have gambling deductions to apply during your annual income tax preparation. If you don’t keep gambling records or federal gambling deductions aren’t allowed due to your overall income, then you’ll need to always include a federal income tax withdrawal with every jackpot or suffer through an income tax payment when you eventually file your annual income tax return.

If you don’t keep good gambling records then, frankly, you should start. Why? Because the danger of not keeping gambling records is having to pay income taxes when they could have avoided them. What if you win big? What if you win so big that everything changes? Isn’t that why you’re interested in my content, to succeed? To win more and more often? Keep gambling records just in case you win a massive jackpot. Or lots of \$1,200 hand pays which, in a year, adds up to the same large jackpot ... or more. Make it part of your plan, okay?

SUMMARY

Some time ago, a fan of my website and podcast named Richard from Gainesville, Georgia, contacted me via Twitter after he won a \$60,000 slots jackpot, took a check, and immediately walked out of the casino. I was proud of how well he’d handled it and told him so at the time.

How he handled a big jackpot reminded me of what it was like. My first time, I didn’t do as well as Richard. So, we’re talking about this now so you can do better than I did and perhaps as well as Richard if you won a large taxable jackpot.

CLOSING

[Let's switch over to the Live Chat again and see what questions they might have...](#)

Call to Action (add sound effect afterward)

Remember to visit professorslots.com/subscribe to get my Free Report Revealing ... The top 7 online resources for improving your gambling performance, including the one I've used as a top-tier slot machine casino gambler.

Introduction

This is the next segment of the show on slot machine casino gambling. Here, I provide a brief overview of the current state of gambling in a U.S. state, territory, or the federal district emphasizing, by far, anything of interest to slot machine casino gamblers.

Up next is Arizona slot machine casino gambling in 2020. Here goes!

Arizona slot machine casino gambling consists of 25 American Indian tribal casinos offering slot machines, video poker, video blackjack, and video keno.

Relevant Legal Statutes on Gambling in Arizona

The minimum legal gambling age in Arizona depends upon the gambling activity:

- Land-Based Casinos: 21
- Poker Rooms: 21
- Bingo and Pull-Tabs: 18
- Lottery: 21
- Pari-Mutuel Wagering: 21

In 1993, 21 tribes established an approved gaming compact with Arizona. Much later, in 2017, the Hopi tribe obtained an approved gaming compact.

These gaming compacts limit the total number of Vegas-style gaming machines to 20,576 in the state, occasionally adjusted for population growth. At the time I wrote this, there were about 15,600 gaming machines in operation.

The maximum bet on gaming machines is \$25.

Slot Machine Private Ownership in Arizona

Next up is a usually short statement about slot machine private ownership, which I have included in case you live in this U.S. state and are considering owning a slot machine. Here it is: It is legal to own a slot machine privately in Arizona.

Gaming Control Board in Arizona

In 1995, due to the growth of tribal gaming in Arizona, the state legislature created the Arizona Department of Gaming (ADG) a few years after the successful negotiation of tribal-state gaming compacts.

ADG's purpose is as an independent regulatory body with expertise in gaming. This tribal gaming oversight is in partnership with Arizona's 22 American Indian tribes with tribal-state compacts.

In 2015, ADG's responsibilities expanded to include oversight of pari-mutuel wagering, racing, boxing, and mixed martial arts events conducted in Arizona.

Casinos in Arizona

In this section, I'll discuss Arizona gambling establishments.

Arizona has 25 American Indian tribal casinos and non-tribal pari-mutuel wagering without slot machines. The largest casino in Arizona is Casino Del Sol having over 1,300 gaming machines. The second-largest casino is Desert Diamond Casino – West Valley Resort having 1,136 gaming machines.

Non-Tribal Casinos in Arizona

Pari-mutuel wagering of races is available in Arizona, but these facilities do not offer slot machines.

American Indian Casinos in Arizona

There are 25 tribal casinos in Arizona. As usual when there are too many casinos to mention here, a complete list and map is on my webpage for this state at professorslots.com/AZ.

Other Gambling Establishments

As an alternative to enjoying Arizona slot machine casino gambling, consider exploring casino options in a nearby state. Bordering Arizona is:

- North: Utah
- East: New Mexico
- South: Mexico's states of Sonora and Baja California
- West: California and Nevada

To visit any of my articles on these U.S. states, simply visit ProfessorSlots.com followed by its two-letter postal designation. For example, my Utah slots article is available at ProfessorSlots.com/UT.

Our Arizona Slots Community Facebook Group

Are you interested in sharing and learning with other slots enthusiasts in Arizona? If so, join our Arizona slots community on Facebook at [professorslots.com/FBAZ](https://www.facebook.com/professorslots.com/FBAZ). All you'll need is a Facebook profile to join this private Facebook Group freely.

There, you'll be able to privately share your slots experiences as well as chat with players about slots gambling in or near Arizona. Again, use this convenient link I've created to go directly to our Group on Facebook: [professorslots.com/FBAZ](https://www.facebook.com/professorslots.com/FBAZ). Join us!

Payout Returns in Arizona

The tribal-state gaming compacts between Arizona and its tribes have placed limits on theoretical payouts for gaming machines based on the type of game.

The minimum theoretical payout limits for Class III machines, during the expected lifetime of the game and including bonus games, are:

- Games-of-chance (Vegas-style slot machines): 80%
- Games-of-skill (video blackjack and video poker): 83%
- Video keno: 75%

Return statistics are not publicly available.

Summary of Arizona Slots in 2020

In summary, Arizona slot machine casino gambling consists of 25 tribal casinos with 15,600 Vegas-style gaming machines offering slots, video poker, video blackjack, and video keno.

Annual Progress in Arizona Slot Machine Casino Gambling

Over the last year, Harrah's Phoenix Ak-Chin Casino Resort has fallen to the third-largest casino in Arizona with 1,135 slot machines, with Casino Del Sol Resort now taking second-place with one more slot machine than Harrah's Ak-Chin in Phoenix.

Otherwise, the Fort McDowell Casino in Fountain Hills has re-opened as the Wekopa Casino Resort.

Call to Action (add sound effect afterward)

Remember to visit professorslots.com/subscribe to get my Free Report Revealing ... The top 7 online resources for improving your gambling performance, including the one I've used as a top-tier slot machine casino gambler.

On the Next Episode of Professor Slots

Part I of the next episode of the Professor Slots podcast will include a live stream Q&A session on YouTube. Next week's live stream will be about playing slots in Las Vegas.

Remember, my weekly Q&A session on YouTube is on Saturdays from Noon until 1 p.m. Eastern Time. Bring whatever slots questions you have, and I'll do my best to answer them.

An easy-to-remember link to my YouTube channel is YouTube.com/ProfessorSlots. Feel free to stop by anytime during my hour-long live Q&A session.

Part II of the next episode of the Professor Slots podcast is another brief overview of the current state of gambling in a U.S. state, territory, or the federal district. Next time, I'll be talking to you about the great U.S. state of Arkansas.

Closing (closing music)

That's the end of another great episode of the Professor Slots podcast. Thanks so much for listening!

Show notes for this episode are on my website at professorslots.com/episode117.

I plan to have the next episode come out very soon for you, where I'll have more amazing content for the show.

Until the next episode: Have fun, be safe, and make good choices! Bye!