



Integrated Resorts to invest S\$9 billion in new world-class attractions and experiences

- *In view of the significant investments, exclusivity period for the two IRs extended to end-2030*
- *Casino entry levy prices to increase by 50%*
- *Gaming tax rates to increase*

1. The two Integrated Resorts (IRs) have committed around S\$9 billion in non-gaming investments to build new world-class tourism and MICE facilities and attractions, many of which will be first-in-Singapore. The IRs' investments will enhance the vibrancy and tourism appeal of their offerings to remain competitive with other destinations in the region, and bring in more than half a million additional visitors annually. Singaporeans can look forward to more lifestyle and entertainment options. The IR expansions will create up to 5,000 new jobs directly and benefit local businesses, including small and medium enterprises.

IRs' Expansion of Non-Gaming Facilities

2. Marina Bay Sands (MBS) will add to the Singapore skyline by constructing an iconic, new fourth tower adjacent to its existing three towers. The centrepiece of the expansion is a 15,000-seater state-of-the-art entertainment arena, which will host a mix of A-list artistes and events arising from MBS' proposed collaboration with leading entertainment content providers. The expansion will also include a luxury all-suite hotel with approximately 1,000 rooms, topped with a sky roof. There will be additional MICE space for hosting world-class exhibitions and conventions.

3. Resorts World Sentosa (RWS) will expand Universal Studios Singapore with two new immersive environments – Minion Park and Super Nintendo World. RWS will also enlarge its popular S.E.A. Aquarium, taking over the adjacent Maritime Experiential Museum to create a new Singapore Oceanarium. Its Waterfront Promenade will be redeveloped to include a free public attraction featuring a nightly show and multi-purpose event zone that can be adapted for different festivals and events, as well as new and unique dining offerings. Two new destination hotels, together with the expansion of the Central Zone, will also add up to 1,100 more rooms to RWS, increasing the



diversity of accommodation options on Sentosa. To further improve accessibility into Sentosa Island, RWS will introduce a driverless transport system offering visitors new and more efficient last-mile connectivity, across the Sentosa Boardwalk.

Extension of Exclusivity Period

4. The additional investment by the IRs is almost two-thirds their initial investment in 2006 (of about S\$15 billion). In view of the substantial investment and to provide business certainty, the Government has agreed to extend the exclusivity period for the two casinos to end-2030. No other casinos will be introduced during this period.

5. For the new attractions and facilities in the expanded IRs to remain commercially viable, the Government has agreed for both IRs to have additional gaming provisions. Today, each IR is allowed 15,000 square meters (sqm) of Approved Gaming Area (AGA). MBS and RWS will be given an option to deploy, subject to payment of additional land costs, an additional 2,000 sqm and 500 sqm of AGA respectively. If the IRs exercise their options fully, gaming area will increase from 30,000 sqm to 32,500 sqm. However, as non-gaming areas will expand by a much larger amount, AGA as a proportion of total floor area will reduce from the existing 3.1% to 2.3%. Within the AGA, each IR is currently allowed 2,500 gaming machines. MBS and RWS will be given an option to increase their allowable gaming machines by 1,000 and 800 respectively. The IRs have indicated that the additional gaming provisions (both AGA and gaming machines) will be targeted at higher-tier non-mass market players, who are mainly tourists.

Minimising the Social Impact of Problem Gambling

6. Local visitorship to the casinos has declined significantly over the last decade. Problem gambling remains under control. According to the National Council on Problem Gambling's gambling participation survey, the probable problem and pathological gambling rate has decreased from 2.6% when the IRs first opened to 0.9% in 2017. The Government is committed to keeping this number under control, and will implement further pre-emptive measures, as follows:



- a) The casino entry levies for Singaporeans and PRs will be raised by 50%, from \$100 to \$150 for the daily levy, and from \$2,000 to \$3,000 for the annual levy, with a 5-year moratorium. This will take effect after 11.59pm on 3 April 2019, from the start of 4 April 2019. The pre-payment and activation periods for the entry levy will also be tightened from 1 August 2019 (refer to Annex A for more details).
- b) The Ministry of Social and Family Development (MSF) will work closely with the IRs to implement new measures to promote responsible gambling (refer to Annex A for details). One of these involves a joint study with MSF, aimed at identifying and implementing technology measures that are effective in promoting informed and self-regulated play for casino patrons.

Casino Tax

7. Gross gaming revenue is currently subjected to casino tax rates of 5% for premium gaming and 15% for mass gaming. After the expiry of the current moratorium in February 2022, the Government will introduce a tiered casino tax structure with higher tax rates than today, along with a new 10-year moratorium (see Table 1 below).

Table 1: Casino Tax Rate Structure (Effective from March 2022)

Premium Gaming		Mass Gaming	
GGR (premium gaming) of each IR	Tax rate	GGR (mass gaming) of each IR	Tax rate
Current Tax Rates (Moratorium till February 2022)			
Entire amount	5%	Entire amount	15%
Revised Tax Rates (Effective from March 2022, with a new 10-year moratorium) Subject to the IR meeting its investment commitments*			
Tier 1 (First \$2.4 billion of GGR)	8% (+3pp)	Tier 1 (First \$3.1 billion of GGR)	18% (+3pp)
Tier 2 (GGR in excess of \$2.4 billion)	12% (+7pp)	Tier 2 (GGR in excess of \$3.1 billion)	22% (+7pp)

(GGR: Gross Gaming Revenue)

*If the IR fails to meet its investment commitments, then a flat tax rate of 12% will apply on the entire amount of GGR from premium gaming, and a flat tax rate of 22% will apply on the entire amount of GGR from mass gaming.



IRs contribute to Singapore's tourism industry

8. "The IRs have enriched our tourism offerings and enhanced our position as a global city for business and leisure tourism. Their commitment to significant new investments reflects their strong confidence in Singapore's long-term tourism prospects. The enhanced attractions, entertainment, MICE and accommodation offerings will provide more compelling experiences for visitors and locals, and ensure that Singapore remains attractive as a destination for years to come," said Mr Keith Tan, Chief Executive, Singapore Tourism Board.

9. "We are on a journey to rejuvenate Sentosa to cement our position as a leading leisure and MICE destination for the next few decades. RWS' expansion will be a significant boost. At the heart of these efforts is our commitment to creating great guest experiences. SDC will continue to work with RWS, one of our largest Island Partners, and various stakeholders to do so," said Mr Quek Swee Kuan, Chief Executive Officer, Sentosa Development Corporation.

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