

\$86.9M

Projected total tax revenue (Years 1-5)

\$60.9M

Projected property tax relief (Years 1-5)

Overview

Nebraska Measure OSW is a ballot initiative that, if approved by a simple majority of voters, would authorize statewide online sports betting. The Nebraska Racing and Gaming Commission would regulate the market, with licensed racetracks and their online partners operating as permitted sportsbooks.

Nebraska currently lacks legal online sports betting, while five of its neighboring states—Iowa, Kansas, Colorado, Wyoming, and Missouri—have already launched regulated online markets. GeoComply data (2025) indicates Nebraska residents [already place wagers](#) through Iowa-based operators. Measure OSW would allow Nebraska to capture and tax wagering activity that is currently occurring in neighboring states.

Market Forecast

Eilers & Krejcik Gaming (EKG) projects Nebraska’s online sports betting market will generate gross gaming revenue (GGR) of \$86.6M in Year 1, growing to \$163.1M by Year 5, a compound annual growth rate of 17.1%. Total GGR across the first five years is projected at \$640.9M.

Year 1	Year 2	Year 3	Year 4	Year 5
\$86.6M	\$111.5M	\$131.5M	\$148.1M	\$163.1M

Methodology

Forecasts are grounded in observed GGR-per-adult data from comparable markets—primarily Kansas, Iowa, Kentucky, and Wyoming—adjusted for Nebraska-specific factors including disposable income, sports interest, internet access, and a restriction on wagering involving Nebraska college teams.

All projections are in constant 2026 U.S. dollars and are anchored in trailing market data, which makes them conservative by design. Nebraska’s estimated GGR per adult at baseline maturity (\$117) falls within the range observed across comparable active markets.

Tax Revenue & Distribution

Under Measure OSW, sportsbooks are taxed at 20% of taxable revenue (GGR net of deductible promotional credits and certain federal taxes). EKG projects total tax revenue of \$8.2M in Year 1, rising to \$25.4M in Year 5, for a five-year total of \$86.9M. Of that five-year total, 70% (\$60.9M) is allocated to the Property Tax Credit Cash Fund.

Tax Revenue Stream	Share	Years 1-5
<i>Total Tax Revenue</i>	<i>100%</i>	<i>\$86.9M</i>
Local Share	25%	\$21.7M
Compulsive Gambling Fund	2.5%	\$2.2M
General Fund	2.5%	\$2.2M
Property Tax Credit Cash Fund	70%	\$60.9M

Key Modeling Assumptions

- Market ramp-up: Baseline maturity projected in five years, consistent with recently launched markets like Kansas, which are maturing faster than earlier cohorts.
- Promotional spending: Assumed at 50% of GGR in Year 1 (customer acquisition), declining to 20% by Year 5. Promotional credits are deductible under Measure OSW, reducing early-year taxable revenue.
- College wagering restriction: Measure OSW preserves Nebraska’s existing ban on wagering involving Nebraska college teams. EKG estimates this reduces baseline GGR by approximately 2%.

About The Analysis

This analysis was prepared by Eilers & Krejcik Gaming, an independent research firm based in Newport Beach, California, and commissioned by Tax Relief Nebraska, with methodology and assumptions developed independently by EKG. EKG is widely cited for U.S. state-by-state sports betting market forecasts and has provided expert testimony and analysis to policymakers in states including Illinois, Indiana, Minnesota, Missouri, New York, Texas, and West Virginia.