

**The Impact of
Gambling on Budgets:
Households and Beyond**

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Table 1
Demographic Characteristics of Samples

	Single Adult, Low Income		Single Adult, High Income		Two Adults, Low Income		Two Adults, High Income		Households with Children, Low Income		Children, High Income	
	Less Gaming	More Gaming	Less Gaming	More Gaming	Less Gaming	More Gaming	Less Gaming	More Gaming	Less Gaming	More Gaming	Less Gaming	More Gaming
Sample Size	9,696	148	1,838	42	4,441	89	3,931	172	6,865	69	7,443	149
Mean Numbers of People												
Persons in Household	1.00	1.50	1.00	1.00	2.00	2.00	2.00	2.00	3.82	3.84	3.94	3.78
Children under 18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.72	1.36	1.51	0.99
Persons 65 and over	0.35	0.33	0.11	0.15	0.89	0.92	0.34	0.36	0.10	0.18	0.07	0.17
Earners	0.57	0.64	0.84	0.91	0.90	0.94	1.61	1.56	1.56	1.59	2.10	2.56
Mean Age of reference person	52.17	54.40	47.02	50.19	60.67	64.07	52.39	56.38	40.09	44.95	42.73	48.81
Percent of Households												
Male	42.19	69.80	58.55	76.13	63.55	71.73	65.24	62.55	42.38	64.18	57.49	70.12
Female	57.81	30.20	41.45	23.87	36.45	28.27	34.76	37.45	57.62	35.81	42.51	29.88
Black or African American	12.93	6.09	7.53	19.36	6.35	1.75	3.41	4.71	18.15	26.29	7.85	10.79
White, Asian, and All Other Races	87.07	93.91	92.47	80.64	93.65	98.25	96.59	95.28	81.85	73.71	92.15	89.21
Hispanic or Latino	5.99	13.67	3.78	0.00	6.06	5.88	3.42	0.63	19.68	12.25	7.83	11.74
Percent Homeowner/Renter												
Homeowner	45.95	49.06	67.93	66.40	82.92	92.59	88.04	88.19	58.09	72.12	88.74	91.16
Renter	54.05	50.93	32.07	33.60	17.08	7.41	11.96	11.81	41.91	27.88	11.26	8.84
Mean Number of Vehicles Owned	0.93	1.12	1.41	1.79	2.13	2.35	2.75	2.90	1.91	2.59	2.91	3.54
Percent Educational Attainment												
Elementary (1-8)	8.73	14.01	1.52	0.00	9.38	6.15	1.13	0.63	7.86	5.28	1.50	1.97
High school (9-12)	37.66	45.23	14.22	29.70	42.68	54.71	24.94	38.47	46.78	46.31	26.16	45.07
College	53.23	40.76	84.26	70.30	47.64	37.81	73.94	60.22	45.06	48.40	72.29	52.95
Mean Income and Spending (dollars)												
Income before taxes	13,843	20,314	72,233	70,821	16,582	19,500	94,143	77,968	16,739	14,612	92,973	95,158
Total expenditures	18,627	28,960	44,124	51,198	30,813	37,604	60,963	58,205	32,454	49,270	64,647	69,067
Lotteries and parimutuel losses	10	1,506	19	941	16	1,304	22	1,642	10	1,579	19	1,119

Source: Calculated from Bureau of Labor Statistics, Consumer Expenditure Survey, interview microdata, 2003.

Table 2

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Single Adult, Low Income	Dollars			Gaming:		
	Gaming: Less	More	Difference	Less	More	Difference
	Percentage of Income					
Income before taxes	13,843	20,314	6,470	100.0%	100.0%	0.0%
Wages and salaries	8,021	11,885	3,864	57.9%	58.5%	0.6%
Self-employment income	216	1,227	1,011	1.6%	6.0%	4.5%
Social Security, private and government	4,502	6,242	1,740	32.5%	30.7%	-1.8%
Interest, dividends, rental income	385	488	103	2.8%	2.4%	-0.4%
Unemployment and workers' comp.	140	169	30	1.0%	0.8%	-0.2%
Public assistance	176	126	(50)	1.3%	0.6%	-0.7%
Regular contributions for support	198	49	(149)	1.4%	0.2%	-1.2%
Other income	205	128	(77)	1.5%	0.6%	-0.8%
Total Expenditures	18,627	28,960	10,333	134.6%	142.6%	8.0%
Implied Saving (+) or Dis-saving/Debt (-)	(4,784)	(8,646)	(3,862)	-34.6%	-42.6%	-8.0%
	Percentage of Expenditures					
Total Expenditures	18,627	28,960	10,333	100.0%	100.0%	0.0%
Food	2,686	3,618	932	14.4%	12.5%	-1.9%
Food at home	1,968	2,350	382	10.6%	8.1%	-2.5%
Food away from home	718	1,268	550	3.9%	4.4%	0.5%
Alcoholic beverages	207	732	525	1.1%	2.5%	1.4%
At home	101	251	150	0.5%	0.9%	0.3%
Away from home	106	481	375	0.6%	1.7%	1.1%
Housing	7,101	8,896	1,795	38.1%	30.7%	-7.4%
Owned Dwellings	1,943	3,037	1,093	10.4%	10.5%	0.1%
Rented Dwellings	2,610	2,920	310	14.0%	10.1%	-3.9%
Other Lodging	155	218	63	0.8%	0.8%	-0.1%
Utilities, fuels, and public services	1,620	1,953	333	8.7%	6.7%	-2.0%
Household operations	316	234	(82)	1.7%	0.8%	-0.9%
Household furnishings and equipment	457	535	78	2.5%	1.8%	-0.6%
Apparel and services	501	876	375	2.7%	3.0%	0.3%
Apparel	436	778	342	2.3%	2.7%	0.3%
Services	65	98	32	0.4%	0.3%	0.0%
Transportation	3,105	4,978	1,873	16.7%	17.2%	0.5%
Vehicle purchases	1,338	2,590	1,252	7.2%	8.9%	1.8%
Gasoline and motor oil	606	712	106	3.3%	2.5%	-0.8%
Vehicle finance charges	111	187	76	0.6%	0.6%	0.0%
Maintenance and repairs	300	312	12	1.6%	1.1%	-0.5%
Vehicle insurance	422	591	169	2.3%	2.0%	-0.2%
Vehicle rental, licenses, other charges	151	299	148	0.8%	1.0%	0.2%
Public transportation	176	287	110	0.9%	1.0%	0.0%

Table 2

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Single Adult, Low Income	Dollars			Percentage of Expenditures		
	Gaming: Less	More	Difference	Gaming: Less	More	Difference
Health care	1,395	1,758	363	7.5%	6.1%	-1.4%
Health insurance	760	1,121	361	4.1%	3.9%	-0.2%
Medical services	315	278	(37)	1.7%	1.0%	-0.7%
Prescription drugs	280	323	43	1.5%	1.1%	-0.4%
Medical supplies	40	35	(5)	0.2%	0.1%	-0.1%
Entertainment	781	1,950	1,168	4.2%	6.7%	2.5%
Fees and admissions	174	372	198	0.9%	1.3%	0.3%
Television, radios, sound equipment	404	820	416	2.2%	2.8%	0.7%
Pets, toys and playground equipment	122	130	8	0.7%	0.5%	-0.2%
Other entertainment	81	627	546	0.4%	2.2%	1.7%
Personal care	139	176	37	0.7%	0.6%	-0.1%
Products	3	2	(1)	0.0%	0.0%	0.0%
Services	136	175	38	0.7%	0.6%	-0.1%
Reading	78	116	38	0.4%	0.4%	0.0%
Newspapers and magazines	48	82	35	0.3%	0.3%	0.0%
Books	30	34	4	0.2%	0.1%	0.0%
Education	490	18	(472)	2.6%	0.1%	-2.6%
College tuition	395	-	(395)	2.1%	0.0%	-2.1%
Elementary and high school tuition	3	-	(3)	0.0%	0.0%	0.0%
Other schools tuition	7	-	(7)	0.0%	0.0%	0.0%
Other expenses and supplies	85	18	(67)	0.5%	0.1%	-0.4%
Tobacco products/smoking supplies	181	332	151	1.0%	1.1%	0.2%
Miscellaneous	313	432	119	1.7%	1.5%	-0.2%
Legal and Accounting fees	79	229	150	0.4%	0.8%	0.4%
Funeral and Cemetery expenses	51	60	9	0.3%	0.2%	-0.1%
Finance, bank, interest charges	146	108	(38)	0.8%	0.4%	-0.4%
Other miscellaneous	36	35	(1)	0.2%	0.1%	-0.1%
Lotteries and parimutuel losses	10	1,506	1,496	0.1%	5.2%	5.1%
Cash contributions	706	1,676	970	3.8%	5.8%	2.0%
Charity and political contributions	304	177	(126)	1.6%	0.6%	-1.0%
Alimony and child support	155	631	476	0.8%	2.2%	1.3%
Cash gifts	247	867	621	1.3%	3.0%	1.7%
Personal insurance and pensions	934	1,896	962	5.0%	6.5%	1.5%
Life and other personal insurance	123	252	129	0.7%	0.9%	0.2%
Pensions	159	547	387	0.9%	1.9%	1.0%
Deductions for Social Security	652	1,097	445	3.5%	3.8%	0.3%

Table 3

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Single Adult, High Income	Dollars			Percentage of Income		
	Gaming: Less	More	Difference	Gaming: Less	More	Difference
income before taxes	72,233	70,821	(1,413)	100.0%	100.0%	0.0%
Wages and salaries	58,496	52,974	(5,521)	81.0%	74.8%	-6.2%
Self-employment income	5,696	7,206	1,511	7.9%	10.2%	2.3%
Social Security, private and government	4,420	8,604	4,184	6.1%	12.1%	6.0%
Interest, dividends, rental income	2,695	1,982	(713)	3.7%	2.8%	-0.9%
Unemployment and workers' comp.	83	54	(29)	0.1%	0.1%	0.0%
Public assistance	-	-	-	0.0%	0.0%	0.0%
Regular contributions for support	619	-	(619)	0.9%	0.0%	-0.9%
Other income	225	-	(225)	0.3%	0.0%	-0.3%
Total Expenditures	44,124	51,198	7,075	61.1%	72.3%	11.2%
Implied Saving (+) or Dis-saving/Debt (-)	28,109	19,622	(8,487)	38.9%	27.7%	-11.2%
				Percentage of Expenditures		
Total Expenditures	44,124	51,198	7,075	100.0%	100.0%	0.0%
Food	4,595	5,117	522	10.4%	10.0%	-0.4%
Food at home	2,713	2,795	82	6.1%	5.5%	-0.7%
Food away from home	1,882	2,322	439	4.3%	4.5%	0.3%
Alcoholic beverages	617	1,000	383	1.4%	2.0%	0.6%
At home	254	527	273	0.6%	1.0%	0.5%
Away from home	363	473	110	0.8%	0.9%	0.1%
Housing	14,780	14,613	(167)	33.5%	28.5%	-5.0%
Owned Dwellings	6,587	5,857	(730)	14.9%	11.4%	-3.5%
Rented Dwellings	2,967	2,713	(254)	6.7%	5.3%	-1.4%
Other Lodging	710	645	(65)	1.6%	1.3%	-0.3%
Utilities, fuels, and public services	2,451	2,909	457	5.6%	5.7%	0.1%
Household operations	494	504	10	1.1%	1.0%	-0.1%
Household furnishings and equipment	1,570	1,985	415	3.6%	3.9%	0.3%
Apparel and services	1,297	2,003	706	2.9%	3.9%	1.0%
Apparel	1,123	1,724	601	2.5%	3.4%	0.8%
Services	174	279	106	0.4%	0.5%	0.2%
Transportation	7,344	9,300	1,956	16.6%	18.2%	1.5%
Vehicle purchases	3,412	3,550	138	7.7%	6.9%	-0.8%
Gasoline and motor oil	1,015	1,355	340	2.3%	2.6%	0.3%
Vehicle finance charges	303	566	263	0.7%	1.1%	0.4%
Maintenance and repairs	591	881	290	1.3%	1.7%	0.4%
Vehicle insurance	846	1,086	240	1.9%	2.1%	0.2%
Vehicle rental, licenses, other charges	526	980	454	1.2%	1.9%	0.7%
Public transportation	651	882	231	1.5%	1.7%	0.2%

Table 3

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Single Adult, High Income	Dollars			Gaming:		
	Less	More	Difference	Less	More	Difference
				Percentage of Expenditures		
Health care	1,767	1,899	132	4.0%	3.7%	-0.3%
Health insurance	834	1,154	319	1.9%	2.3%	0.4%
Medical services	676	492	(184)	1.5%	1.0%	-0.6%
Prescription drugs	206	231	25	0.5%	0.5%	0.0%
Medical supplies	51	23	(28)	0.1%	0.0%	-0.1%
Entertainment	1,991	3,676	1,684	4.5%	7.2%	2.7%
Fees and admissions	639	1,028	389	1.4%	2.0%	0.6%
Television, radios, sound equipment	816	1,083	267	1.9%	2.1%	0.3%
Pets, toys and playground equipment	275	256	(19)	0.6%	0.5%	-0.1%
Other entertainment	261	1,308	1,047	0.6%	2.6%	2.0%
Personal care	240	231	(8)	0.5%	0.5%	-0.1%
Products	6	-	(6)	0.0%	0.0%	0.0%
Services	234	231	(2)	0.5%	0.5%	-0.1%
Reading	168	239	71	0.4%	0.5%	0.1%
Newspapers and magazines	83	144	60	0.2%	0.3%	0.1%
Books	85	95	11	0.2%	0.2%	0.0%
Education	473	69	(404)	1.1%	0.1%	-0.9%
College tuition	362	11	(351)	0.8%	0.0%	-0.8%
Elementary and high school tuition	47	-	(47)	0.1%	0.0%	-0.1%
Other schools tuition	11	2	(9)	0.0%	0.0%	0.0%
Other expenses and supplies	52	56	3	0.1%	0.1%	0.0%
Tobacco products/smoking supplies	222	832	609	0.5%	1.6%	1.1%
Miscellaneous	745	408	(336)	1.7%	0.8%	-0.9%
Legal and Accounting fees	301	23	(278)	0.7%	0.0%	-0.6%
Funeral and Cemetery expenses	51	25	(26)	0.1%	0.0%	-0.1%
Finance, bank, interest charges	268	277	9	0.6%	0.5%	-0.1%
Other miscellaneous	125	83	(42)	0.3%	0.2%	-0.1%
Lotteries and parimutuel losses	19	941	923	0.0%	1.8%	1.8%
Cash contributions	2,653	3,418	765	6.0%	6.7%	0.7%
Charity and political contributions	1,148	761	(386)	2.6%	1.5%	-1.1%
Alimony and child support	1,128	2,198	1,070	2.6%	4.3%	1.7%
Cash gifts	378	459	81	0.9%	0.9%	0.0%
Personal insurance and pensions	7,213	7,453	240	16.3%	14.6%	-1.8%
Life and other personal insurance	333	442	109	0.8%	0.9%	0.1%
Pensions	2,312	2,582	269	5.2%	5.0%	-0.2%
Deductions for Social Security	4,568	4,429	(139)	10.4%	8.7%	-1.7%

Table 4

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Two Adults, Low Income	Dollars			Gaming:		
	Gaming: Less	More	Difference	Less	More	Difference
				Percentage of Income		
Income before taxes	16,582	19,500	2,918	100.0%	100.0%	0.0%
Wages and salaries	6,690	6,031	(658)	40.3%	30.9%	-9.4%
Self-employment income	59	(646)	(705)	0.4%	-3.3%	-3.7%
Social Security, private and government	8,933	12,899	3,966	53.9%	66.1%	12.3%
Interest, dividends, rental income	485	880	395	2.9%	4.5%	1.6%
Unemployment and workers' comp.	137	208	71	0.8%	1.1%	0.2%
Public assistance	208	89	(119)	1.3%	0.5%	-0.8%
Regular contributions for support	33	31	(2)	0.2%	0.2%	0.0%
Other income	38	7	(31)	0.2%	0.0%	-0.2%
Total Expenditures	30,813	37,604	6,791	185.8%	192.8%	7.0%
Implied Saving (+) or Dis-saving/Debt (-)	(14,231)	(18,104)	(3,873)	-85.8%	-92.8%	-7.0%
				Percentage of Expenditures		
Total Expenditures	30,813	37,604	6,791	100.0%	100.0%	0.0%
Food	4,758	5,554	796	15.4%	14.8%	-0.7%
Food at home	3,620	3,933	312	11.7%	10.5%	-1.3%
Food away from home	1,138	1,621	483	3.7%	4.3%	0.6%
Alcoholic beverages	186	367	181	0.6%	1.0%	0.4%
At home	112	178	66	0.4%	0.5%	0.1%
Away from home	74	189	115	0.2%	0.5%	0.3%
Housing	9,924	9,235	(690)	32.2%	24.6%	-7.7%
Owned Dwellings	4,152	3,680	(472)	13.5%	9.8%	-3.7%
Rented Dwellings	1,224	844	(380)	4.0%	2.2%	-1.7%
Other Lodging	395	471	77	1.3%	1.3%	0.0%
Utilities, fuels, and public services	2,696	2,709	13	8.8%	7.2%	-1.5%
Household operations	402	462	60	1.3%	1.2%	-0.1%
Household furnishings and equipment	1,055	1,069	14	3.4%	2.8%	-0.6%
Apparel and services	738	1,036	298	2.4%	2.8%	0.4%
Apparel	674	988	314	2.2%	2.6%	0.4%
Services	64	48	(16)	0.2%	0.1%	-0.1%
Transportation	6,377	9,481	3,103	20.7%	25.2%	4.5%
Vehicle purchases	2,945	5,578	2,634	9.6%	14.8%	5.3%
Gasoline and motor oil	1,186	1,384	198	3.8%	3.7%	-0.2%
Vehicle finance charges	272	194	(78)	0.9%	0.5%	-0.4%
Maintenance and repairs	482	676	194	1.6%	1.8%	0.2%
Vehicle insurance	799	986	187	2.6%	2.6%	0.0%
Vehicle rental, licenses, other charges	363	459	96	1.2%	1.2%	0.0%
Public transportation	331	203	(129)	1.1%	0.5%	-0.5%

Table 4

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Two Adults, Low Income	Dollars			Gaming:		
	Less	More	Difference	Less	More	Difference
				Percentage of Expenditures		
Health care	3,526	4,712	1,186	11.4%	12.5%	1.1%
Health insurance	1,997	2,453	456	6.5%	6.5%	0.0%
Medical services	753	798	45	2.4%	2.1%	-0.3%
Prescription drugs	675	1,038	363	2.2%	2.8%	0.6%
Medical supplies	101	423	322	0.3%	1.1%	0.8%
Entertainment	1,610	2,168	558	5.2%	5.8%	0.5%
Fees and admissions	328	671	343	1.1%	1.8%	0.7%
Television, radios, sound equipment	590	877	287	1.9%	2.3%	0.4%
Pets, toys and playground equipment	223	285	62	0.7%	0.8%	0.0%
Other entertainment	470	336	(134)	1.5%	0.9%	-0.6%
Personal care	256	292	36	0.8%	0.8%	-0.1%
Products	4	11	6	0.0%	0.0%	0.0%
Services	252	282	30	0.8%	0.7%	-0.1%
Reading	142	173	31	0.5%	0.5%	0.0%
Newspapers and magazines	94	137	43	0.3%	0.4%	0.1%
Books	47	35	(12)	0.2%	0.1%	-0.1%
Education	243	18	(225)	0.8%	0.0%	-0.7%
College tuition	194	18	(176)	0.6%	0.0%	-0.6%
Elementary and high school tuition	1	-	(1)	0.0%	0.0%	0.0%
Other schools tuition	17	-	(17)	0.1%	0.0%	-0.1%
Other expenses and supplies	31	-	(31)	0.1%	0.0%	-0.1%
Tobacco products/smoking supplies	233	268	35	0.8%	0.7%	0.0%
Miscellaneous	428	525	97	1.4%	1.4%	0.0%
Legal and Accounting fees	100	113	13	0.3%	0.3%	0.0%
Funeral and Cemetery expenses	147	148	1	0.5%	0.4%	-0.1%
Finance, bank, interest charges	111	205	94	0.4%	0.5%	0.2%
Other miscellaneous	70	59	(10)	0.2%	0.2%	-0.1%
Lotteries and parimutuel losses	16	1,304	1,289	0.1%	3.5%	3.4%
Cash contributions	1,235	1,515	281	4.0%	4.0%	0.0%
Charity and political contributions	744	566	(178)	2.4%	1.5%	-0.9%
Alimony and child support	85	-	(85)	0.3%	0.0%	-0.3%
Cash gifts	406	949	544	1.3%	2.5%	1.2%
Personal insurance and pensions	1,143	957	(185)	3.7%	2.5%	-1.2%
Life and other personal insurance	415	333	(82)	1.3%	0.9%	-0.5%
Pensions	157	102	(55)	0.5%	0.3%	-0.2%
Deductions for Social Security	570	523	(47)	1.9%	1.4%	-0.5%

Table 5

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Two Adults, High Income	Dollars			Gaming:		
	Gaming: Less	More	Difference	Less	More	Difference
				Percentage of Income		
Income before taxes	94,143	77,968	(16,175)	100.0%	100.0%	0.0%
Wages and salaries	73,416	59,404	(14,011)	78.0%	76.2%	-1.8%
Self-employment income	5,058	2,477	(2,581)	5.4%	3.2%	-2.2%
Social Security, private and government	11,713	13,947	2,233	12.4%	17.9%	5.4%
Interest, dividends, rental income	3,286	1,428	(1,858)	3.5%	1.8%	-1.7%
Unemployment and workers' comp.	357	670	313	0.4%	0.9%	0.5%
Public assistance	52	25	(27)	0.1%	0.0%	0.0%
Regular contributions for support	133	17	(117)	0.1%	0.0%	-0.1%
Other income	128	1	(127)	0.1%	0.0%	-0.1%
Total Expenditures	60,963	58,205	(2,757)	64.8%	74.7%	9.9%
Implied Saving (+) or Dis-saving/Debt (-)	33,181	19,763	(13,418)	35.2%	25.3%	-9.9%
				Percentage of Expenditures		
Total Expenditures	60,963	58,205	(2,757)	100.0%	100.0%	0.0%
Food	6,667	6,367	(300)	10.9%	10.9%	0.0%
Food at home	4,290	4,164	(126)	7.0%	7.2%	0.1%
Food away from home	2,377	2,203	(174)	3.9%	3.8%	-0.1%
Alcoholic beverages	510	649	139	0.8%	1.1%	0.3%
At home	268	249	(19)	0.4%	0.4%	0.0%
Away from home	241	400	159	0.4%	0.7%	0.3%
Housing	17,217	14,313	(2,903)	28.2%	24.6%	-3.7%
Owned Dwellings	8,060	6,649	(1,411)	13.2%	11.4%	-1.8%
Rented Dwellings	1,353	964	(389)	2.2%	1.7%	-0.6%
Other Lodging	1,146	857	(290)	1.9%	1.5%	-0.4%
Utilities, fuels, and public services	3,503	3,289	(214)	5.7%	5.7%	-0.1%
Household operations	804	667	(137)	1.3%	1.1%	-0.2%
Household furnishings and equipment	2,349	1,887	(463)	3.9%	3.2%	-0.6%
Apparel and services	1,712	1,618	(94)	2.8%	2.8%	0.0%
Apparel	1,545	1,480	(65)	2.5%	2.5%	0.0%
Services	167	138	(29)	0.3%	0.2%	0.0%
Transportation	12,589	17,595	5,006	20.7%	30.2%	9.6%
Vehicle purchases	6,821	11,706	4,885	11.2%	20.1%	8.9%
Gasoline and motor oil	1,752	1,972	220	2.9%	3.4%	0.5%
Vehicle finance charges	537	639	102	0.9%	1.1%	0.2%
Maintenance and repairs	858	924	66	1.4%	1.6%	0.2%
Vehicle insurance	1,168	1,284	116	1.9%	2.2%	0.3%
Vehicle rental, licenses, other charges	664	664	0	1.1%	1.1%	0.1%
Public transportation	789	406	(384)	1.3%	0.7%	-0.6%

Table 5

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Two Adults, High Income	Dollars			Gaming:		
	Gaming: Less	More	Difference	Less	More	Difference
				Percentage of Expenditures		
Health care	3,456	2,736	(720)	5.7%	4.7%	-1.0%
Health insurance	1,819	1,328	(492)	3.0%	2.3%	-0.7%
Medical services	931	816	(116)	1.5%	1.4%	-0.1%
Prescription drugs	561	520	(41)	0.9%	0.9%	0.0%
Medical supplies	144	72	(72)	0.2%	0.1%	-0.1%
Entertainment	3,400	2,831	(569)	5.6%	4.9%	-0.7%
Fees and admissions	862	860	(1)	1.4%	1.5%	0.1%
Television, radios, sound equipment	910	918	9	1.5%	1.6%	0.1%
Pets, toys and playground equipment	475	490	14	0.8%	0.8%	0.1%
Other entertainment	1,153	563	(590)	1.9%	1.0%	-0.9%
Personal care	434	388	(46)	0.7%	0.7%	0.0%
Products	10	11	1	0.0%	0.0%	0.0%
Services	424	377	(47)	0.7%	0.6%	0.0%
Reading	236	221	(15)	0.4%	0.4%	0.0%
Newspapers and magazines	134	147	13	0.2%	0.3%	0.0%
Books	102	74	(28)	0.2%	0.1%	0.0%
Education	986	259	(727)	1.6%	0.4%	-1.2%
College tuition	741	242	(499)	1.2%	0.4%	-0.8%
Elementary and high school tuition	47	-	(47)	0.1%	0.0%	-0.1%
Other schools tuition	16	-	(16)	0.0%	0.0%	0.0%
Other expenses and supplies	181	17	(165)	0.3%	0.0%	-0.3%
Tobacco products/smoking supplies	297	695	398	0.5%	1.2%	0.7%
Miscellaneous	707	763	56	1.2%	1.3%	0.2%
Legal and Accounting fees	148	157	10	0.2%	0.3%	0.0%
Funeral and Cemetery expenses	105	10	(96)	0.2%	0.0%	-0.2%
Finance, bank, interest charges	235	364	130	0.4%	0.6%	0.2%
Other miscellaneous	219	231	12	0.4%	0.4%	0.0%
Lotteries and parimutuel losses	10	1,579	1,569	0.0%	2.7%	2.7%
Cash contributions	3,303	1,217	(2,086)	5.4%	2.1%	-3.3%
Charity and political contributions	1,951	767	(1,183)	3.2%	1.3%	-1.9%
Alimony and child support	316	64	(253)	0.5%	0.1%	-0.4%
Cash gifts	1,036	386	(650)	1.7%	0.7%	-1.0%
Personal insurance and pensions	9,427	6,912	(2,515)	15.5%	11.9%	-3.6%
Life and other personal insurance	871	616	(255)	1.4%	1.1%	-0.4%
Pensions	2,883	1,574	(1,309)	4.7%	2.7%	-2.0%
Deductions for Social Security	5,673	4,721	(952)	9.3%	8.1%	-1.2%

Table 6

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Households with Children, Low Income	Dollars			Gaming:		
	Gaming: Less	More	Difference	Less	More	Difference
				Percentage of Income		
Income before taxes	16,739	14,612	(2,127)	100.0%	100.0%	0.0%
Wages and salaries	13,715	11,887	(1,828)	81.9%	81.3%	-0.6%
Self-employment income	215	166	(49)	1.3%	1.1%	-0.2%
Social Security, private and government	1,360	1,603	243	8.1%	11.0%	2.8%
Interest, dividends, rental income	76	(162)	(238)	0.5%	-1.1%	-1.6%
Unemployment and workers' comp.	245	563	317	1.5%	3.8%	2.4%
Public assistance	585	239	(346)	3.5%	1.6%	-1.9%
Regular contributions for support	421	143	(278)	2.5%	1.0%	-1.5%
Other income	122	174	52	0.7%	1.2%	0.5%
Total Expenditures	32,454	49,270	16,816	193.9%	337.2%	143.3%
Implied Saving (+) or Dis-saving/Debt (-)	(15,715)	(34,657)	(18,943)	-93.9%	-237.2%	-143.3%
				Percentage of Expenditures		
Total Expenditures	32,454	49,270	16,816	100.0%	100.0%	0.0%
Food	5,654	7,486	1,831	17.4%	15.2%	-2.2%
Food at home	4,607	5,798	1,191	14.2%	11.8%	-2.4%
Food away from home	1,047	1,688	640	3.2%	3.4%	0.2%
Alcoholic beverages	139	442	303	0.4%	0.9%	0.5%
At home	92	324	232	0.3%	0.7%	0.4%
Away from home	47	118	71	0.1%	0.2%	0.1%
Housing	11,776	14,015	2,239	36.3%	28.4%	-7.8%
Owned Dwellings	4,426	5,632	1,206	13.6%	11.4%	-2.2%
Rented Dwellings	2,706	1,807	(899)	8.3%	3.7%	-4.7%
Other Lodging	230	1,039	808	0.7%	2.1%	1.4%
Utilities, fuels, and public services	2,964	3,738	774	9.1%	7.6%	-1.5%
Household operations	609	688	79	1.9%	1.4%	-0.5%
Household furnishings and equipment	841	1,112	271	2.6%	2.3%	-0.3%
Apparel and services	1,185	2,996	1,811	3.7%	6.1%	2.4%
Apparel	1,088	2,850	1,762	3.4%	5.8%	2.4%
Services	96	145	49	0.3%	0.3%	0.0%
Transportation	6,857	13,464	6,607	21.1%	27.3%	6.2%
Vehicle purchases	3,224	6,410	3,186	9.9%	13.0%	3.1%
Gasoline and motor oil	1,390	1,983	593	4.3%	4.0%	-0.3%
Vehicle finance charges	356	399	43	1.1%	0.8%	-0.3%
Maintenance and repairs	479	907	428	1.5%	1.8%	0.4%
Vehicle insurance	850	1,334	483	2.6%	2.7%	0.1%
Vehicle rental, licenses, other charges	315	1,818	1,503	1.0%	3.7%	2.7%
Public transportation	243	613	370	0.7%	1.2%	0.5%

Table 6

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Households with Children, Low Income	Dollars			Gaming:		
	Less	More	Difference	Less	More	Difference
				Percentage of Expenditures		
Health care	1,696	2,638	943	5.2%	5.4%	0.1%
Health insurance	976	1,294	318	3.0%	2.6%	-0.4%
Medical services	467	917	450	1.4%	1.9%	0.4%
Prescription drugs	195	335	140	0.6%	0.7%	0.1%
Medical supplies	58	93	35	0.2%	0.2%	0.0%
Entertainment	1,438	2,048	610	4.4%	4.2%	-0.3%
Fees and admissions	327	556	228	1.0%	1.1%	0.1%
Television, radios, sound equipment	657	943	286	2.0%	1.9%	-0.1%
Pets, toys and playground equipment	249	361	111	0.8%	0.7%	0.0%
Other entertainment	205	189	(15)	0.6%	0.4%	-0.2%
Personal care	212	325	113	0.7%	0.7%	0.0%
Products	5	16	10	0.0%	0.0%	0.0%
Services	207	309	103	0.6%	0.6%	0.0%
Reading	69	169	100	0.2%	0.3%	0.1%
Newspapers and magazines	39	145	106	0.1%	0.3%	0.2%
Books	30	24	(6)	0.1%	0.0%	0.0%
Education	543	590	47	1.7%	1.2%	-0.5%
College tuition	279	248	(31)	0.9%	0.5%	-0.4%
Elementary and high school tuition	145	132	(13)	0.4%	0.3%	-0.2%
Other schools tuition	18	-	(18)	0.1%	0.0%	-0.1%
Other expenses and supplies	102	210	108	0.3%	0.4%	0.1%
Tobacco products/smoking supplies	286	502	216	0.9%	1.0%	0.1%
Miscellaneous	404	516	112	1.2%	1.0%	-0.2%
Legal and Accounting fees	136	163	27	0.4%	0.3%	-0.1%
Funeral and Cemetery expenses	55	36	(19)	0.2%	0.1%	-0.1%
Finance, bank, interest charges	153	150	(3)	0.5%	0.3%	-0.2%
Other miscellaneous	59	166	107	0.2%	0.3%	0.2%
Lotteries and parimutuel losses	10	1,579	1,569	0.0%	3.2%	3.2%
Cash contributions	646	847	201	2.0%	1.7%	-0.3%
Charity and political contributions	402	728	326	1.2%	1.5%	0.2%
Alimony and child support	143	26	(117)	0.4%	0.1%	-0.4%
Cash gifts	101	93	(8)	0.3%	0.2%	-0.1%
Personal insurance and pensions	1,540	1,653	113	4.7%	3.4%	-1.4%
Life and other personal insurance	281	527	246	0.9%	1.1%	0.2%
Pensions	140	142	2	0.4%	0.3%	-0.1%
Deductions for Social Security	1,119	984	(135)	3.4%	2.0%	-1.4%

Table 7

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Households with Children, High Income	Dollars			Gaming:		
	Gaming: Less	More	Difference	Less	More	Difference
	Percentage of Income					
Income before taxes	92,973	95,158	2,186	100.0%	100.0%	0.0%
Wages and salaries	84,220	87,079	2,858	90.6%	91.5%	0.9%
Self-employment income	4,438	412	(4,027)	4.8%	0.4%	-4.3%
Social Security, private and government	2,113	5,423	3,310	2.3%	5.7%	3.4%
Interest, dividends, rental income	1,126	430	(696)	1.2%	0.5%	-0.8%
Unemployment and workers' comp.	323	1,363	1,040	0.3%	1.4%	1.1%
Public assistance	93	31	(62)	0.1%	0.0%	-0.1%
Regular contributions for support	499	191	(308)	0.5%	0.2%	-0.3%
Other income	160	230	70	0.2%	0.2%	0.1%
Total Expenditures	64,647	69,067	4,419	69.5%	72.6%	3.0%
Implied Saving (+) or Dis-saving/Debt (-)	28,325	26,092	(2,234)	30.5%	27.4%	-3.0%
	Percentage of Expenditures					
Total Expenditures	64,647	69,067	4,419	100.0%	100.0%	0.0%
Food	7,937	8,965	1,027	12.3%	13.0%	0.7%
Food at home	5,707	6,115	408	8.8%	8.9%	0.0%
Food away from home	2,230	2,849	619	3.4%	4.1%	0.7%
Alcoholic beverages	358	689	331	0.6%	1.0%	0.4%
At home	204	396	193	0.3%	0.6%	0.3%
Away from home	154	292	138	0.2%	0.4%	0.2%
Housing	20,285	18,363	(1,923)	31.4%	26.6%	-4.8%
Owned Dwellings	10,548	9,640	(908)	16.3%	14.0%	-2.4%
Rented Dwellings	1,175	797	(378)	1.8%	1.2%	-0.7%
Other Lodging	734	433	(300)	1.1%	0.6%	-0.5%
Utilities, fuels, and public services	4,026	4,407	381	6.2%	6.4%	0.2%
Household operations	1,675	1,145	(530)	2.6%	1.7%	-0.9%
Household furnishings and equipment	2,128	1,941	(187)	3.3%	2.8%	-0.5%
Apparel and services	2,029	2,561	532	3.1%	3.7%	0.6%
Apparel	1,874	2,378	505	2.9%	3.4%	0.5%
Services	155	183	28	0.2%	0.3%	0.0%
Transportation	13,072	14,949	1,876	20.2%	21.6%	1.4%
Vehicle purchases	6,434	5,800	(633)	10.0%	8.4%	-1.6%
Gasoline and motor oil	2,125	2,602	476	3.3%	3.8%	0.5%
Vehicle finance charges	711	947	236	1.1%	1.4%	0.3%
Maintenance and repairs	949	1,835	885	1.5%	2.7%	1.2%
Vehicle insurance	1,492	2,254	762	2.3%	3.3%	1.0%
Vehicle rental, licenses, other charges	785	738	(46)	1.2%	1.1%	-0.1%
Public transportation	576	772	196	0.9%	1.1%	0.2%

Table 7

Mean Incomes and Budgets of Households With Less and More Gaming Expenditures

Households with Children, High Income	Dollars			Gaming:		
	Less	More	Difference	Less	More	Difference
				Percentage of Expenditures		
Health care	2,994	3,018	23	4.6%	4.4%	-0.3%
Health insurance	1,659	1,712	54	2.6%	2.5%	-0.1%
Medical services	900	692	(208)	1.4%	1.0%	-0.4%
Prescription drugs	326	457	132	0.5%	0.7%	0.2%
Medical supplies	110	156	46	0.2%	0.2%	0.1%
Entertainment	3,445	3,481	36	5.3%	5.0%	-0.3%
Fees and admissions	1,073	982	(91)	1.7%	1.4%	-0.2%
Television, radios, sound equipment	1,152	1,515	363	1.8%	2.2%	0.4%
Pets, toys and playground equipment	525	554	29	0.8%	0.8%	0.0%
Other entertainment	695	429	(266)	1.1%	0.6%	-0.5%
Personal care	404	515	111	0.6%	0.7%	0.1%
Products	13	17	4	0.0%	0.0%	0.0%
Services	391	498	107	0.6%	0.7%	0.1%
Reading	186	200	14	0.3%	0.3%	0.0%
Newspapers and magazines	101	134	34	0.2%	0.2%	0.0%
Books	85	65	(20)	0.1%	0.1%	0.0%
Education	1,670	2,036	365	2.6%	2.9%	0.4%
College tuition	906	1,471	565	1.4%	2.1%	0.7%
Elementary and high school tuition	489	183	(306)	0.8%	0.3%	-0.5%
Other schools tuition	55	120	66	0.1%	0.2%	0.1%
Other expenses and supplies	220	261	41	0.3%	0.4%	0.0%
Tobacco products/smoking supplies	306	689	383	0.5%	1.0%	0.5%
Miscellaneous	842	889	47	1.3%	1.3%	0.0%
Legal and Accounting fees	264	126	(138)	0.4%	0.2%	-0.2%
Funeral and Cemetery expenses	49	77	28	0.1%	0.1%	0.0%
Finance, bank, interest charges	362	508	147	0.6%	0.7%	0.2%
Other miscellaneous	167	177	10	0.3%	0.3%	0.0%
Lotteries and parimutuel losses	19	1,119	1,100	0.0%	1.6%	1.6%
Cash contributions	1,924	1,362	(562)	3.0%	2.0%	-1.0%
Charity and political contributions	1,274	471	(803)	2.0%	0.7%	-1.3%
Alimony and child support	380	634	255	0.6%	0.9%	0.3%
Cash gifts	270	256	(14)	0.4%	0.4%	0.0%
Personal insurance and pensions	9,175	10,234	1,059	14.2%	14.8%	0.6%
Life and other personal insurance	709	1,174	465	1.1%	1.7%	0.6%
Pensions	2,110	2,795	685	3.3%	4.0%	0.8%
Deductions for Social Security	6,356	6,265	(91)	9.8%	9.1%	-0.8%

Table 8
Estimated Sales and Excise Tax Payments by Households
With Less and More Gaming Expenditures

Single Adult, Low Income

Taxes	Gaming:	Estimated Tax Payments			Per \$1000 income		
		Less	More	Difference	Less	More	Difference
Gaming		2.77	436.73	433.96	0.20	21.50	21.30
Motor Fuel		102.93	120.93	18.00	7.44	5.95	(1.48)
Tobacco		38.91	71.24	32.33	2.81	3.51	0.70
Alcohol		16.00	56.46	40.46	1.16	2.78	1.62
General Sales Tax		315.23	516.92	201.69	22.77	25.45	2.68
Total		475.84	1,202.28	726.44	34.37	59.19	24.81

Single Adult, High Income

Taxes	Gaming:	Estimated Tax Payments			Per \$1000 income		
		Less	More	Difference	Less	More	Difference
Gaming		5.37	272.97	267.59	0.07	3.85	3.78
Motor Fuel		172.32	230.13	57.81	2.39	3.25	0.86
Tobacco		47.73	178.57	130.84	0.66	2.52	1.86
Alcohol		47.59	77.11	29.51	0.66	1.09	0.43
General Sales Tax		710.94	922.76	211.82	9.86	13.02	3.16
Total		983.95	1,681.53	697.59	13.64	23.72	10.08

Two Adults, Low Income

Taxes	Gaming:	Estimated Tax Payments			Per \$1000 income		
		Less	More	Difference	Less	More	Difference
Gaming		4.59	378.30	373.71	0.28	19.37	19.10
Motor Fuel		201.35	235.05	33.70	12.14	12.04	(0.11)
Tobacco		49.98	57.50	7.53	3.01	2.94	(0.07)
Alcohol		14.31	28.30	13.99	0.86	1.45	0.59
General Sales Tax		589.57	804.77	215.20	35.55	41.21	5.66
Total		859.79	1,503.92	644.13	51.85	77.01	25.17

Two Adults, High Income

Taxes	Gaming:	Estimated Tax Payments			Per \$1000 income		
		Less	More	Difference	Less	More	Difference
Gaming		6.49	476.05	469.57	0.07	6.12	6.05
Motor Fuel		297.50	334.93	37.43	3.16	4.31	1.15
Tobacco		63.87	149.28	85.41	0.68	1.92	1.24
Alcohol		39.32	50.05	10.73	0.42	0.64	0.23
General Sales Tax		1,149.46	1,330.73	181.27	12.20	17.12	4.91
Total		1,556.63	2,341.05	784.41	16.53	30.11	13.58

Households with Children, Low Income

Taxes	Gaming:	Estimated Tax Payments			Per \$1000 income		
		Less	More	Difference	Less	More	Difference
Gaming		2.86	458.02	455.14	0.17	31.34	31.17
Motor Fuel		236.05	336.77	100.72	14.10	23.05	8.94
Tobacco		61.40	107.81	46.41	3.67	7.38	3.71
Alcohol		10.70	34.06	23.36	0.64	2.33	1.69
General Sales Tax		614.54	1,075.08	460.54	36.71	73.57	36.86
Total		925.57	2,011.73	1,086.17	55.29	137.67	82.38

Households with Children, High Income

Taxes	Gaming:	Estimated Tax Payments			Per \$1000 income		
		Less	More	Difference	Less	More	Difference
Gaming		5.39	324.43	319.04	0.06	3.41	3.35
Motor Fuel		360.92	441.83	80.91	3.88	4.64	0.76
Tobacco		65.73	147.98	82.24	0.71	1.55	0.85
Alcohol		27.50	53.11	25.51	0.30	0.56	0.26
General Sales Tax		1,150.38	1,223.22	72.84	12.38	12.85	0.48
Total		1,610.03	2,190.58	580.55	17.32	23.01	5.69

The Impact of Gambling on
Budgets: Households and
Beyond

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Family Impact Seminar
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Consumer Expenditure Survey

- Conducted by the Census for the Bureau of Labor Statistics
- Data for 34,883 households which kept diaries or submitted to interviews
- Information on demographics, incomes and expenditures

Research Design

- Divide sample into 6 demographic groups
- Low and high income, divided at median (\$42,946)
- Single adult households, Two adult households, Households with children
- Divide each group into low and high gaming losses, less than and greater than \$100
- Compare characteristics, income and spending for each low/high gaming pair

Twelve Sample Groups

- 669 high gaming households; 34,214 low gaming households
- Incomes for some pairs don't match as well as hoped
- Compare shares of income, shares of expenditures
- Big differences in average gaming expenditures
 - Low gaming: \$10 to \$22
 - High gaming: \$941 to \$1,642

Demographics (table 1)

- On average, High Gaming Households
 - Are older
 - Have fewer children
 - Are more likely to be male
 - Own more cars
 - Are less likely to be college educated
 - Spend more, save less or borrow more
- Than Low Gaming Households.

Spenders vs. Savers (tables 2-7)

- For all six pairs, the high gaming households spent more out of income (or beyond income) than the low gaming households
- The amount of extra spending exceeded the added gaming spending
- Added gaming spending one part of overall preferences?
- Or are there lots of complements to gaming spending?

Complementary Spending

- On average, High Gaming Households also spend more on
 - Food away from home (5 of 6 pairs)
 - Alcoholic beverages away from home
 - Transportation
 - Tobacco products (5 of 6 pairs)
- Than Low Gaming Households.

Consumers vs. Investors

- On average, High Gaming Households also spend less on
 - Housing
 - Owned dwellings (5 of 6 pairs)
 - Rented dwellings (all 6 pairs)
 - Furniture (5 of 6 pairs)
 - Education (5 of 6 pairs)
 - Charitable contributions (5 of 6 pairs)
- Than Low Gaming Households.

Gaming and Education Spending

- High Gaming Households with low incomes and children
 - Have fewer children and spend less on education
- High Gaming Households with high incomes and children
 - Have fewer children but spend more on education
- High Gaming Households without children
 - Spend less on post-secondary education for themselves

Sales and Excise Taxes (table 8)

- Estimate the average sales and excise taxes per \$1,000 of income paid by each group
- Indiana sales tax rate, 6%; tax base:
 - Tangible goods except food and medicine
 - Utilities
 - Rentals
- Gasoline (18 cents/gal.)
- Alcohol
 - Beer 11.5 cents/gal
 - Wine 47 cents/gal
 - Liquor \$2.68/gal
- Tobacco (cigarettes 55.5 cents/pack)
- Gaming (lottery tickets, 29 cents/dollar = state revenue)

Sales and Excise Taxes

- High Gaming Households pay more sales and excise taxes than Low Gaming Households
- They spend more on excise taxable goods (fuel, tobacco, alcohol)
- They spend less on non-taxable spending (housing, education, charity)
- They spend more and save less generally

Cause and Effect?

- When gaming opportunities increased, did some Low Gaming Households become High Gaming Households?
 - Spending more on gaming, tobacco, alcohol, restaurants
 - Spending less on housing, education, charity
- Or is gaming part of a preference for spending on entertainment, so that gaming spending came at the expense of even more tobacco, alcohol and restaurant spending?
