

## **Exhibit VIII.B.10 Supplemental Tax Payment**

Traditions Resort & Casino is located within Region Five where a tax of thirty-seven (37) percent of Gross Gaming Revenue from slot machines and ten (10) percent of Gross Gaming Revenue from all other sources will be imposed. Traditions Resort & Casino will not be paying a supplemental fee if awarded the license.

The Traditions Resort & Casino team is aware that the casino environment is very competitive and must change to meet market demands. All applicants in the Southern Tier will have a disadvantage to existing Casinos and Racinos in New York along with Casinos in Pennsylvania. The established facilities have had years to build a brand, customer relationships, and player database and loyalty programs. Due to the size of the Southern Tier market, Traditions Resort & Casino will be utilizing its profits for capital improvements, marketing, community development, establishing additional business to business relationships, and other similar activities to make this facility as attractive as possible. In lieu of paying additional taxes, the casino will work diligently to remain competitive and continue to grow its customer base.

Traditions Resort & Casino is very confident that the overall economic impact that will be felt throughout the Broome County area will be far more compelling than a supplemental tax payment. The region has struggled for numerous years with the decline of manufacturing and is listed as one of the Top 7 Fastest Shrinking Cities according to CNNMoney. A project like the casino at Traditions will make the Broome County economy attractive once again, retain quality businesses, bring new businesses to the area and retain talented young professionals fresh out of college.

The Innovation Group analysis the benefit of a supplemental tax payment and found the same to be lacking any significant benefit when comparing tax rates in other jurisdictions and the affect such rates have on competing in a competitive gaming environment. Please see "Exhibit VIII.B.10.a" for the full analysis.