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Brazil's iGaming Ban Could Have Wider Impact On Global Industry

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In late September, Brazil sent shockwaves through the iGaming industry, with potential impacts that extend beyond the country's immediate borders.

In September, President Luiz Inacio Lula da Silva announced that an **immediate suspension of online gambling in Brazil** would be implemented. The announcement was widely considered politically motivated, as it came just days before the presidential elections held on October 4. Flávio Bolsonaro and Lula advanced, with the second round taking place on 25 October 2026.

However, what was perhaps more surprising and shocking about the announcement was that it came less than two years after the regulated market was launched in January 2025; In 2024, he backed regulating land-based casinos if Congress approved it, suggesting and arguing that gambling could be used as a potential source of tourism, investment and tax revenues.

Now, Brazilian lawmakers have already submitted 54 amendments to Provisional Measure (MP) 1,394/2026, with many asking for sports betting to be excluded from the ban; this would ultimately mean that only online casino games would be banned in the proposed plans. It's very similar to how things operate in the US, with many states regulating sports betting but not legalising online casinos.

Indeed, those who can use these platforms can access **online casino reviews for US players** to find the right options. They can use the reviews to learn which sites are safe and legal, and what is offered, without potentially breaking any regulations in place in the states where this gambling activity is accepted.

Still, what has happened in Brazil could have wider implications on the US market just as much as it could in the South American nation...

Why is the US potentially impacted by Brazil's decision?

As already highlighted, sports betting seems to be more widely accepted in the US than online casino gaming. As of October 2026, only eight states have accepted this form of gambling: Connecticut, Delaware, Michigan, New Jersey, Pennsylvania, Rhode Island, Maine, and West Virginia. In contrast, sports betting is legal in some form in at least 39 states, plus Washington, D.C. and Puerto Rico.

There has been some attention to online casinos and regulation by some states in recent years, as they look to raise tax revenues in new ways. Some **predictions suggest that Maryland, Virginia, New York, and Illinois** could all be poised to introduce regulations in the near future. However, regulators have also been cracking down on sweepstakes casinos and prediction markets.

US lawmakers will be most interested in the decisions Brazil has cited as its reason for banning the activity, as they could look to them for guidance. It was claimed by the Lula administration that their decision was driven by fears of addiction and household debt, despite the **unemployment rate being at its lowest at 5.3%**, and inflation being moderate. This could be enough for lawmakers to make stronger arguments for keeping online casinos banned or for implementing even stronger regulations than those already in place for sports betting.

Economically, there's trouble for US-based operators. It has been estimated that Flutter Entertainment, which owns FanDuel and is listed on the New York Stock Exchange, will see its annual revenue fall by around \$70 million and adjusted operating earnings (EBITDA) by around \$20 million if the ban lasts for the rest of 2026.

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