

OMB APPROVAL	
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>SAVITCH JORDAN B</u>  (Last) (First) (Middle) 825 BERKSHIRE BLVD SUITE 200  (Street) WYOMISSING PA 19610  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>PENN NATIONAL GAMING INC [ PENN ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Sr. Vice President/General Cou</u>
	3. Date of Earliest Transaction (Month/Day/Year) 01/03/2011	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock <sup>(2)</sup>	01/03/2011		M		2,920	A	\$12.15	24,244	D	
Common Stock <sup>(2)</sup>	01/03/2011		S		2,920	D	\$35.1765	21,324	D	

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Non-Qualified Stock Options (right to buy)	\$35.15	01/03/2011		A		70,000		01/03/2012 <sup>(1)</sup>	01/03/2018	Common Stock	70,000	\$0	70,000	D	
Incentive Stock Options (right to buy) <sup>(2)</sup>	\$12.15	01/03/2011		M		2,920		01/29/2008	01/29/2011	Common Stock	2,920	\$0	0	D	

**Explanation of Responses:**

- Vests over 4 years at 25% a year on the anniversary of the date of grant.
- This transaction was made pursuant to a stock trading plan, dated May 28, 2010, established pursuant to rule 10b5-1.

/s/Robert S Ippolito as attorney- 01/05/2011  
in-fact for Jordan B Savitch

\*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.