

<p>FORM 5</p> <p><input type="checkbox"/> Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).</p> <p><input type="checkbox"/> Form 3 Holdings Reported <input type="checkbox"/> Form 4 Transactions Reported</p>	<p>UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549</p> <p>STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP</p> <p>Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(f) of the Investment Company Act of 1940</p>	<p>OMB APPROVAL</p> <hr/> <p>OMB Number: 3235-0362 Expires: December 31, 2001 Estimated average burden hours per response: 0.5</p>
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<p>1. Name and Address of Reporting Person* Ippolito, Robert S.</p> <p>(Last) (First) (Middle)</p> <p>825 Berkshire Blvd Suite 200</p> <p>(Street)</p> <p>Wyomissing, PA 19610</p> <p>(City) (State) (Zip)</p> <p>USA</p>	<p>2. Issuer Name and Ticker or Trading Symbol</p> <p>Penn National Gaming, Inc. PENN</p> <p>3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)</p>	<p>4. Statement for (Month/Year)</p> <p>December 2000</p> <p>5. If Amendment, Date of Original (Month/Year)</p>	<p>6. Relationship of Reporting Person(s) to Issuer (Check all applicable)</p> <p>Director _____ 10% Owner _____ Officer <input checked="" type="checkbox"/> _____ Other _____</p> <p>Officer/Other Description Secretary and Treasurer</p> <p>7. Individual or Joint/Group Filing (Check Applicable Line)</p> <p><input checked="" type="checkbox"/> Individual Filing <input type="checkbox"/> Joint/Group Filing</p>
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Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed (D) Of (Instr. 3, 4, and 5)	5. Amount of Securities Beneficially Owned at End of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct(D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Amount A/D Price			

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

(over)
SEC 2270 (3-99)

Ippolito, Robert S. - December 2000

Form 5 (continued)

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)	4. Transaction Code	5. Number of Derivative Securities Acquired (A) or Disposed (D) Of (Instr. 3,4 and 5)	6. Date Exercisable(DE) and Expiration Date(ED) (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr.5)	9. Number of Derivative Securities Beneficially Owned at End of Year (Instr.4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I)	11. Nature of Indirect Beneficial Ownership (Instr.4)
					(DE) (ED)					
Employee Stock Option (Right to Buy)	\$8.125	02/08/2000	A	(A) 15,000	02/08/2001 02/08/2007	Common Stock - 15,000		107,000	D	

Explanation of Responses :

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

** Signature of Reporting Person _____ Date _____

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

/s/ Robert S. Ippolito
Robert S. Ippolito

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