

History of Indiana Charity Gaming



In June 1992, the Indiana Department of Revenue was given the responsibility of enforcing charity gaming laws in Indiana. Only qualified nonprofit organizations can legally conduct charity gaming events in Indiana. These gaming events are limited to bingo, charity game nights, door prizes, festival events, raffles, and the sale of pull tabs, punchboards, and tip boards. Organizations must be licensed and registered for each type of charity gaming event they want to conduct.

Which Organizations Qualify?

An organization may conduct legal charity gaming events if it is a bona fide educational, religious, senior citizen, veteran, or civic/fraternal/charitable organization operating in Indiana, and is exempt from taxation under Section 501 of the Internal Revenue Code (IRC).

The nonprofit organizations eligible to engage in Indiana charity gaming events are defined in Title 4, Article 32, of the Indiana Code. A brief description of these organizations is as follows:

Civic Organization

A bona fide civic organization branch, chapter, or lodge of a local, national, or state organization that is nonprofit and primarily operated for charitable, civic, or fraternal purposes.

Educational Organization

A bona fide educational organization that is nonprofit, whose primary purpose is educational in nature, and is designed to develop the capabilities of individuals by instruction in public or private elementary and secondary schools, as well as colleges and universities.

Political Organization

A bona fide political organization, committee, fund, party, or other organization that is established and operated for either directly or indirectly accepting contributions and making expenditures for an exempt purpose (as defined in Section 527 of the Internal Revenue Code). These organizations are the Democratic Party, Republican Party, Independent Party, etc.

Note: A political candidate's committee is not a political organization by this definition.

*For FY04,
2,193 licenses
were issued to
qualifying
organizations.
This is eight
fewer than
FY03.*

Religious Organization

A bona fide religious organization, church, or body of communicants operating on a nonprofit basis and primarily for religious purposes. The organization must operate under Section 501 of the Internal Revenue Code and provide written documentation as such.

Senior Citizens Organization

A bona fide senior citizen organization that is nonprofit and has at least 15 members who are at least 60 years old. The purpose of the organization is to advance and support the causes of the elderly and retired persons.

Veterans Organization

A bona fide veterans local organization, or a branch, chapter, or lodge of a national or state organization that is nonprofit, chartered by the United States Congress, and whose members are or were in the United States Armed Forces. The purpose of the organization is for the mutual advancement and support of the organization's membership and patriotic causes.

All organizations meeting one of the preceding requirements also must have been in active and continuous existence for at least 5 years, or be affiliated with a parent organization that has been in existence and operating for at least 5 years. Except where a qualified organization or its affiliate is having a convention or other annual meeting of its membership, charity gaming events may only be conducted in the county where the Indiana principal office is located.

Any hospital licensed under IC 16-21, a health facility licensed under IC 16-28, or a psychiatric facility licensed under IC 12-25, may conduct charity gaming events under certain circumstances.

Being exempt from taxation under Section 501 of the Internal Revenue Code does not ensure that an organization is eligible to conduct legal charity gaming events. The types of organizations that do not qualify include federal credit unions, pension trusts, and generally those established primarily for literary, scientific, and social purposes.

*Contracting with
an individual or
group to operate a
gaming event on a
qualified
organization's
behalf is a Class D
felony.
IC 4-32-12-4(b)*

What Are Legal Charity Gaming Activities?

Qualified nonprofit organizations may conduct certain types of legal charity gaming activities in Indiana. These activities include bingo, door prizes, raffles, as well as the sale of pull tabs, punchboards, and tip boards. Charity game nights and festival events are also covered. Individuals participating in licensed events must be at least 18 years old.

Bingo

A bingo game is played with regulation bingo cards, pads, or sheets. A player covers the numbers that are called out by the announcer. The winner of each game is the player who is the first to properly cover the announced pattern of squares on the bingo surface.

Door Prizes

A door prize is awarded to a person based solely upon the person's attendance at an event, or the purchase of a ticket to attend an event.

Raffles

A raffle is the selling of chances or tickets to win a prize awarded through a random drawing.

Pull Tabs

A pull tab is either a single, folded, banded ticket, or a two-ply card with a perforated break-open tab that has a hidden symbol that determines the winner. The prize must be fully described on the inside of the ticket.

Punchboards

A punchboard is a board or card that contains a grid or sections that hide the random opportunity to win a prize based on the results of punching a single section to reveal either a prize amount or a symbol.

Tip Boards

A tip board is a game of chance board or placard with a hidden winning number or symbol in each column.

Organizations operating illegal gaming devices will be taxed on the income from these activities, regardless of their nonprofit status.

Slot and poker machines are forms of illegal gambling devices unless on a licensed riverboat casino. (Riverboat gambling is regulated by the Indiana Gaming Commission.)

Charity Game Nights

This permits the licensee to conduct a card game, a dice game, a roulette wheel and a spindle (wheel of fortune style) game, along with door prize drawings and the sale of pull-tabs, punchboards and tip boards. An organization is limited to holding four charity game nights per calendar year.

Festival Events

This permits the licensee to conduct bingo games, charity game night, one raffle, door prizes and the sale of pull tabs, punchboards and tip boards at the festival. A festival can only be held once a calendar year and cannot exceed four consecutive days.

Types of Licenses



Listed are the six different types of licenses that are available:

1. Annual Bingo License
2. Charity Game Night License
3. Door Prize License
4. Festival License
5. Raffle License
6. Special Bingo License

Each type of license allows an organization to conduct a limited number of charity gaming events within certain prize limitations. There also are restrictions on how many times an organization may receive each type of license during the year.

Annual Bingo License

The Annual Bingo License is available for those organizations that conduct bingo events throughout the year. This type of license allows for the following games to be played:

1. Door Prize drawings
2. Multiple Bingo events
3. The sale of pull tabs, punchboards, and tip boards

This license is also used by organizations who only sell pull tabs, punchboards and tip boards throughout the year, even if bingo is not played. The organizations who only reported income from the sales of pull tabs, punchboards and tip boards were extracted from Annual Bingo figures and shown as Pull Tab Only figures in this report.

A total of 515 Annual Bingo Licenses were issued to organizations for bingo only or for bingo and pull tabs, an additional 308 were issued for Pull Tab Only events.

Charity Game Night License

177 Charity Game Night licenses were issued in FY04.

Charity Game Nights are commonly referred to as “Las Vegas Nights” or “Monte Carlo Nights.” This type of license allows for the following games to be played:

1. Card games
2. Dice games
3. Door Prize drawings
4. Roulette wheel games
5. Spindle games
6. The sale of pull tabs, punchboards, and tip boards

*The wagering on banking and percentage games, bookmarking activities, numbers games, pinball machines, or slot machines are not included in these legal charity gaming events.

Door Prize License

Only 11 Door Prize licenses were issued.

A Door Prize License may be needed when an organization gives away door prizes as a fund-raising event. This type of license allows for the following games to be played:

1. Door prize drawings
2. The sale of pull tabs, punchboards, and tip boards

Festival License

299 Festival licenses were issued

The festival license permits one (1) organization to conduct a variety of charity gaming events for up to four (4) consecutive days. All of these events have to be conducted within certain limitations. This type of license allows for the following games to be played:

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1. Bingo games
 2. Charity Game Night event
 3. Door Prize drawings
 4. One (1) Raffle drawing event
 5. The sale of pull tabs, punchboards, and tip boards

Raffle License

A Raffle License is needed when an organization holds a raffle drawing as a fund-raising event. This type of license allows the following game to be played:

1. Door Prize drawings
2. Raffle drawings
3. The sale of pull tabs, punchboards, and tip boards

Special Bingo License

The second type of bingo license is a Special Bingo License. This license is usually used by those organizations wanting to hold bingo events only occasionally, and not weekly, throughout the year. This license is valid for only one location and time. This license may also be used by Annual Bingo License holders who want to conduct a bingo event on a day that is not listed on their annual license. This type of license allows for the following games to be played:

1. One (1) Bingo event
2. Door Prize drawings
3. The sale of pull tabs, punchboards, and tip boards

*698 Raffle licenses
were issued in FY04.*

*There were 185
Special Bingo licenses
issued.*



License Fees

The fee for the first license in any category is \$25.

For a subsequent license, fees are based on the gross receipts from the previous event for which the same type of license was held.

*\$3,750,575 in
License Fees
was collected
in FY04.*

These receipts include:

1. The income from all gaming activities, including the sale of pull tabs, punchboards, and tip boards.
2. The sale of tangible personal property specifically sold at the gaming event. Some items commonly sold at these events include card doblers, good luck dolls, keychains, etc.
3. Concessions that are sold specifically at the gaming event.

*Contracting with an individual
or group to operate a gaming
event on behalf of a qualified
organization is a Class D Felony.
IC 4-32-12*

Charity gaming license fees are based on the following chart:

| Gross Revenues | | |
|-----------------------|----------------------|------------|
| <u>At Least</u> | <u>But Less Than</u> | <u>Fee</u> |
| \$ 0 | \$ 15,000 | \$ 25 |
| \$ 15,000 | \$ 25,000 | \$ 75 |
| \$ 25,000 | \$ 50,000 | \$ 200 |
| \$ 50,000 | \$ 75,000 | \$ 350 |
| \$ 75,000 | \$ 100,000 | \$ 600 |
| \$ 100,000 | \$ 150,000 | \$ 900 |
| \$ 150,000 | \$ 200,000 | \$ 1,200 |
| \$ 200,000 | \$ 250,000 | \$ 1,500 |
| \$ 250,000 | \$ 300,000 | \$ 1,800 |
| \$ 300,000 | \$ 400,000 | \$ 2,500 |
| \$ 400,000 | \$ 500,000 | \$ 3,250 |
| \$ 500,000 | \$ 750,000 | \$ 5,000 |
| \$ 750,000 | \$ 1,000,000 | \$ 6,750 |
| \$ 1,000,000 | \$ 1,250,000 | \$ 8,500 |
| \$ 1,250,000 | \$ 1,500,000 | \$ 10,000 |
| \$ 1,500,000 | \$ 1,750,000 | \$ 12,000 |
| \$ 1,750,000 | \$ 2,000,000 | \$ 14,000 |
| \$ 2,000,000 | \$ 2,250,000 | \$ 16,250 |
| \$ 2,250,000 | \$ 2,500,000 | \$ 18,500 |
| \$ 2,500,000 | \$ 3,000,000 | \$ 22,500 |
| \$ 3,000,000 | \$ ----- | \$ 25,000 |

The fee to renew a charity gaming license is based on gross receipts of the previous year's activities.



Manufacturers and Distributors

All business entities desiring to manufacture, distribute, or sell the following items in Indiana must be licensed by the Indiana Department of Revenue. These items include bingo sheets, devices, equipment, and other supplies used in playing bingo, as well as pull tabs, punchboards and tip boards.

A manufacturer's annual license fee is \$3,000. There were 18 manufacturer's licenses issued in Fiscal Year 2004. The total fee collected was \$54,000.

A distributor's annual license fee is \$2,000. There were 59 distributor's licenses issued in Fiscal Year 2004, 13 of which were located out-of-state. The total fee collected was \$118,000.

An excise tax is imposed on the distribution of pull tabs, punchboards, and tip boards, in the amount of ten percent (10%) of the wholesale price. For Fiscal Year 2004, manufacturers and distributors remitted \$1,403,545 in gaming card excise taxes and fees.

*Annual license
fees:
manufacturer's
\$3,000;
distributor's
\$2,000.*

| | FY 2004 | FY 2003 |
|---------------------|--------------|--------------|
| Manufacturer's Fees | \$ 54,000 | \$ 45,000 |
| Distributor's Fees | 118,000 | 124,000 |
| Excise Taxes | 1,231,545 | 1,311,871 |
| Totals | \$ 1,403,545 | \$ 1,480,871 |



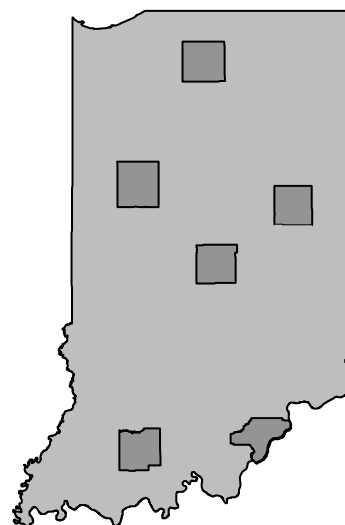
Seminars

Education is one of the major missions within the Department of Revenue, and the Charity Gaming Section spends a great number of man-hours to that end. During Fiscal Year 2004 three educational seminars were conducted around the State, not as mere “meet and greet” sessions, but with an emphasis on education. Important topics such as nonprofit legislative changes, rules and regulations, and bookkeeping, among others, were discussed by the Section’s staff.

The three full-day seminars were well received and attended by the nonprofit groups. They have proven to be a valuable tool in helping groups understand and comply with the Indiana codes and regulations. Three additional seminars were planned for the Fall of 2004 (prior to the printing of this report) in Lafayette, Jasper and Muncie

| Date | City |
|------------|--------------|
| 04/23/2004 | Indianapolis |
| 04/24/2004 | Plymouth |
| 04/30/2004 | Clarksville |

Total Attendees 411



Educational seminars are not mere “meet and greet” sessions but with an emphasis on education.



Administrative Highlights 2004

The Charity Gaming Section of the Indiana Department of Revenue was created to administer charity gaming laws. This section, along with field investigators from the Criminal Investigation Division, strives to see that licensed organizations are operating within charity gaming laws and regulations. Under IC 4-32-10-6, the Indiana Department of Revenue is required to remit charity gaming surplus revenue into the “Build Indiana Fund”. This revenue is generated by license fees, as well as excise taxes and penalties. The Department deposited \$3,000,000 into this fund during fiscal year 2004.

*The
Department
transferred
\$3,000,000
into the Build
Indiana Fund.*

Taxpayer Assistance

During Fiscal Year 2004, the Charity Gaming Section assisted 214 taxpayers in the walk-in assistance center, and answered 23,909 phone calls, compared to 18,249 phone calls in Fiscal Year 2003.

Form Revision

The Department has created the following forms for the organizations to use: CG-2R - Annual Renewal Bingo License Application, CG-2 - Annual Bingo License Application, CG-3 - Single Event License Application, CG-8 - Annual Bingo License Financial Report, CG-AEL - Application for Exemption Letter for Non-Licensed Event, CG-INV - Operator/Worker Ending Inventory Statement, and CG-UP - Use of Proceeds.

Biannual Newsletter

In a continuing effort to communicate and educate nonprofit organizations on the State codes and regulations, the Charity Gaming Section produces a biannual (April and October) newsletter. These issues not only have regular features such as calendar of events and handy phone numbers, but also articles on tax court findings, investigations and basic rules important to the Indiana charity gaming community. The organizations are encouraged to call, write or email questions or suggestions for future issues.

Legislation

The 2004 Indiana General Assembly enacted two pieces of legislation relating to charity gaming:

House Enrolled Act 1365

Effective July 1, 2004, the total prizes awarded for one pull tab, punchboard, or tip board game may not exceed \$5,000. This is an increase from the previous limitation of \$2,000.

In addition, there has also been an increase in the maximum single prize for one winning ticket in a pull tab, punchboard or tip board to \$599. The previous amount was \$300.

The maximum selling price for one ticket for a pull tab, punchboard or tip board game remains at one dollar (\$1.00).

House Enrolled Act 1042

Since 1995, state statutes have required that if 90% or more of an organization's total income from all sources is derived from charity gaming, the organization must donate at least 6 percent of its charity gaming income (less prize payouts) to other qualified organizations. The qualified organization receiving the money cannot be an affiliate of the organization donating the money.

The new law defines a "qualified recipient" and allows certain entities to receive money under these circumstances regardless of whether they could be considered an affiliate. Included in this category are: Specified hospitals, medical centers health facilities and psychiatric facilities; charitable programs and/or substance abuse activities/programs sponsored by local law enforcement agencies; and any organization the Department has already classified as a "qualified organization" who could conduct charity gaming. Also included in the list of qualified recipients is a veterans' home, which specifically is defined as the Indiana Veterans' Home, the VFW National Home for Children and the Indiana Soldiers' and Sailors' Children's Home.

*Each taxpayer
identification
number is
unique to each
organization.*



Enforcement

During Fiscal Year 2004, the Criminal Investigation Division (CID) began conducting in-depth investigations on charity gaming license applicants. The results are as follows:

| | | |
|----------|-----------------|--------------------------------------|
| Denials: | Allen County | AMVETS 55 |
| | Allen County | Independent Order of Odd Fellows 19 |
| | DeKalb County | DeKalb County Humane Society |
| | Delaware County | Hamilton Twp. Volunteer Fire Company |
| | Madison County | AMVETS 332 |

| | | |
|---------------------------|-----------------|-----------------------------|
| Emergency Revocations: | Allen County | Atlas Foundation, LTD. |
| | Delaware County | Liberty Twp. Boosters, Inc. |

Violations of Statutes

| | | |
|--|--------------|---|
| <i>An operator must be a member in good standing for at least one year. IC 4-32-9-28</i> | IC 4-32-6-18 | The definition of a “pull tab” means a game conducted with a single folded or banded ticket or a two-ply card with perforated break-open tabs and is bought by a player from a qualified organization. Number of Violations: 1 Penalty Assessed: \$500 |
| | IC 4-32-9-2 | Except as provided in Section 3 of this chapter, a qualified organization must obtain a license from the Department to conduct an allowable event. Number of Violations: 11 Penalty Assessed: \$25,400 |
| | IC 4-32-9-3 | An organization is not required to obtain a license from the Department if the value of all prizes awarded at the bingo event, charity game night, raffle event, or door prize event, including prizes from pull tabs, punchboards, and tip boards, does not exceed one thousand dollars (\$1,000) for a single event and not more than three thousand dollars (\$3,000) during a calendar year. Number of Violations: 3 Penalty Assessed: \$6,000 |

| | | | |
|--------------|---|--------------------------------|-----------------------------------|
| IC 4-32-9-4 | Each organization applying for a bingo license, special bingo license, charity game license, raffle license, door prize drawing license or festival license must submit to the Department a written application on a form prescribed by the Department. | Number of Violations: 5 | Penalty Assessed: \$5,000 |
| IC 4-32-9-10 | The Commissioner may issue a festival license to a qualified organization upon the organization's submission of an application and payment of a fee determined under IC 4-32-11. The license must authorize the qualified organization to conduct bingo events, charity games nights, one (1) raffle event, and door prize events and to sell pull tabs, punchboards, and tip boards. The license must state the location and the dates, not exceeding four (4) consecutive days, on which these activities may be conducted. | Number of Violations: 1 | Penalty Assessed: \$500 |
| IC 4-32-9-15 | A qualified organization may not contract or enter into an agreement with an individual, a corporation, a partnership, a limited liability company or other association to conduct an allowable event. A qualified organization shall use only operators and workers meeting the requirements to manage and conduct an allowable event. | Number of Violations: 1 | Penalty Assessed: \$1,000 |
| IC 4-32-9-16 | A qualified organization that receives ninety percent (90%) or more of the organization's total gross receipts from any events licensed under this article is required to donate sixty percent (60%) of its gross charitable gaming receipts less prize payout to another qualified organization. | Number of Violations: 2 | Penalty Assessed: \$10,000 |
| IC 4-32-9-17 | A qualified organization shall maintain accurate records of all financial aspects of an allowable event. A qualified organization shall make accurate reports of all financial aspects of an allowable event to the Department within the time established by the Department. | Number of Violations: 8 | Penalty Assessed: \$7,500 |

| | | | |
|-----------------|--|--------------------------------|-----------------------------------|
| IC 4-32-9-19 | A qualified organization may not conduct more than four (4) charity game nights during a calendar year. | Number of Violations: 1 | Penalty Assessed: \$2,500 |
| IC 4-32-9-25 | An operator or worker may not receive remuneration for preparing, conducting, assisting in conducting, cleaning up after, or taking any other action in connection with an allowable event. | Number of Violations: 4 | Penalty Assessed: \$16,000 |
| IC 4-32-9-26 | An individual may not be an operator for more than one (1) qualified organization during a calendar month. If an individual has previously served as an operator for another qualified organization, the Department may require additional information concerning the proposed operator to satisfy the Department that the individual is a bona fide member of the qualified organization. | Number of Violations: 4 | Penalty Assessed: \$30,000 |
| IC 4-32-9-27 | An operator or worker may not directly or indirectly participate, other than in a capacity as operator or worker, in an allowable event that the operator or worker is conducting. | Number of Violations: 3 | Penalty Assessed: \$3,000 |
| IC 4-32-9-28 | An operator must be a member in good standing of the qualified organization that is conducting the allowable event for at least one (1) year at the time of the allowable event. | Number of Violations: 3 | Penalty Assessed: \$4,500 |
| IC 4-32-9-30(b) | Except as provided in subsection (c), the total prizes permitted at one (1) bingo event may not have a value of more than \$6,000. | Number of Violations: 3 | Penalty Assessed: \$4,000 |
| IC 4-32-9-33 | Total prizes awarded for one (1) pull tab, punchboard, or tip board game may not exceed two thousand dollars (\$2,000). A single prize awarded for one (1) winning ticket in a pull tab, punchboard, or tip board game may not exceed three hundred dollars (\$300). The | | |

| | | |
|------------------------|---|-----------------------------------|
| | selling price for one (1) ticket for a pull tab, punchboard, or tip board game may not exceed one dollar (\$1.00). | |
| | Number of Violations: 3 | Penalty Assessed: \$3,600 |
| IC 4-32-9-34 | The following persons may not play or participate in any manner in an allowable event: an employee of the Department, or a person less than eighteen (18) years of age. A person less than eighteen (18) years of age may sell tickets or chances for a raffle. | |
| | Number of Violations: 1 | Penalty Assessed: \$1,000 |
| IC 4-32-12-1 | The Department may suspend or revoke the license of, or levy a penalty against, a qualified organization or an individual under this article for conduct prejudicial to public confidence. | |
| | Number of Violations: 3 | Penalty Assessed: \$12,500 |
| IC 4-32-12-1 (a)(4) | The Department may suspend or revoke the license of, or levy a civil penalty against, a qualified organization or an individual under this article for any of the following: commission of fraud, deceit, or misrepresentation. | |
| | Number of Violations: 1 | Penalty Assessed: \$2,000 |
| 45 IAC 18-1-18 | “Conduct prejudicial to the public confidence in the Department” means conduct that gives the appearance of impropriety, including the failure to file tax returns, conducting a gaming event without a license, sports betting, operating a gambling device, using or possessing a computer or other technologic aid. | |
| | Number of Violations: 10 | Penalty Assessed: \$32,300 |
| 45 IAC 18-1-22 | “Existence” means the organization’s active, demonstrable support of its stated purpose or mission in addition to any actual corporate existence. | |
| | Number of Violations: 3 | Penalty Assessed: \$750 |
| 45 IAC 18-1-28 | “Member” means an individual who is qualified for membership in an organization pursuant to its bylaws, articles of incorporation, charter, or rules, who is entitled to vote in the election of the corporation’s officer or board member, or both, and who is eligible to be elected and officer or board member, or both, and to participate in the determination of | |

the policies of the organization. The individual must be able to show continuous active participation in the organization's stated purpose or mission, including but not limited to, the contribution of time, money, or talent to the organization and attends regular meetings of the organization.

Number of Violations: 2

Penalty Assessed: \$5,500

45 IAC 18-1-30

“Operator” means a member of a qualified organization who is:

- (1) an Indiana resident
- (2) in good standing with the Department
- (3) in addition to the forgoing, the following individuals are also operators:
 - (a) a bartender licensed with the alcohol and tobacco commission if the bartender sells only pull tabs, tip boards, or punchboards.
 - (b) a person who accounts for money received at the charity gaming event.
 - (c) a person who keeps records of the charity gaming event.
 - (d) any person who announces the letter number combination at a bingo event.

Number of Violations: 2

Penalty Assessed: \$1,500

45 IAC 18-2-4

upon

organization,

A readable photocopy of a license is required to be prominently displayed at the facility where the event is being held. The original license must be available for inspection request at all times. In addition to the photocopy, a legible sign of adequate dimension must be prominently posted during an event giving the name of the qualified its license number, and the expiration date of the license.

Number of Violations: 4

Penalty Assessed: \$2,000

45 IAC 18-3-1

(b)(2)

The term “allowable events” does not include an event at which wagers are placed on bookmaking, a slot machine, a one-ball machine, a pinball machine that awards anything other than an immediate and unrecorded right of replay.

Number of Violations: 1

Penalty Assessed : \$2,500

45 IAC 18-3-2

An organization cannot pay the operator or workers of an allowable event, including tips from players. A legible sign of adequate dimension must be prominently posted during an

| | | |
|----------------------|--|----------------------------------|
| | event stating that the operator and workers are not allowed to accept tips. Number of Violations: 2 | Penalty Assessed: \$5,250 |
| 45 IAC 18-3-2 (i) | A legible sign of adequate dimension must be prominently posted during an event stating that the operator and workers are not allowed to accept tips. Number of Violations: 2 | Penalty Assessed: \$3,750 |
| 45 IAC 18-4-1 | A qualified organization must maintain adequate records of all financial aspects of a qualified event and report such information to the Department on forms prescribed by the Department. Number of Violations: 1 | Penalty Assessed: \$250 |

*In FY04, the total amount of penalties assessed was \$188,800.
In FY03, the total amount of penalties assessed was \$98,250.*

| | |
|-----------------------------|--|
| Total Violations: 85 | Total Penalty Assessed: \$188,800 |
|-----------------------------|--|



Help is Available

The Department wants to help problem and compulsive gamblers. Help information is routinely printed in its biannual *Indiana Charity Gaming News*, and posters are provided at no cost to organizations for posting at charity gaming events.

*Indiana
Compulsive
Gambling
Helpline:
1-800-9-
WITH-IT
(1-800-994-
8448)*

Gambling Addiction Can Happen

To Anyone



*There is help and hope available, and recovery
from gambling problems is possible.*

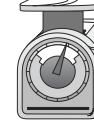
The Indiana Council on Problem Gambling
1-800-994-8448

The National Council on Problem Gambling
1-800-522-4700

Gamblers Anonymous
www.gamblersanonymous.org/

Gambling

Fun!
Entertaining!
Occasional!



Or

Problem?
Addiction?
Compulsion?



What does your scale say?

The Indiana Council on Problem Gambling
1-800-994-8448

The National Council on Problem Gambling
1-800-522-4700

www.gamblersanonymous.org/



Statistics

Every organization that holds a charity gaming license is required to file a financial report for each license. The following statistics are based on financial reports which were received during the State of Indiana's 2004 Fiscal Year (July 1, 2003 through June 30, 2004). An organization cannot receive successive gaming licenses until it has filed a financial report for its previous event.

Grand Totals

| Type of License | Gross Income | Total Expenses | Net Proceeds | Amount Given to Unrelated Organizations | Amount Retained for use by the Organization | Total Undistributed |
|------------------------|--------------------------|--------------------------|-------------------------|---|---|-----------------------|
| Annual Bingo | \$ 444,580,611.47 | \$ 393,677,712.88 | \$ 50,902,898.59 | \$ 7,750,986.09 | \$ 37,744,957.40 | \$5,406,955.10 |
| Annual Bingo/Pull Tabs | 7,099,508.00 | 5,837,239.13 | 1,262,268.87 | 74,823.15 | 979,276.93 | 208,168.79 |
| Calendar Raffle | 1,704,876.32 | 746,365.89 | 958,510.43 | 49,307.72 | 806,226.47 | 102,976.24 |
| Charity Game Night | 1,152,020.04 | 667,040.25 | 484,979.79 | 89,605.47 | 308,058.50 | 87,315.82 |
| Door Prize | 9,567.32 | 31,837.38 | (22,270.06) | - | 5,355.57 | (27,625.63) |
| Festival | 11,470,118.42 | 5,805,678.35 | 5,664,440.07 | 289,782.43 | 4,971,878.97 | 402,778.67 |
| Pull Tab Only | 58,790,347.28 | 49,088,308.54 | 9,702,038.74 | 1,395,379.06 | 7,293,433.66 | 1,013,226.02 |
| Raffle | 12,371,700.10 | 6,060,008.09 | 6,311,692.01 | 1,084,441.27 | 4,935,050.57 | 292,200.17 |
| Special Bingo | 1,645,856.57 | 1,156,746.78 | 489,109.79 | 119,897.61 | 315,609.63 | 53,602.55 |
| Total | \$ 538,824,605.52 | \$ 463,070,937.29 | \$ 75,753,668.23 | \$ 10,854,222.80 | \$ 57,359,847.70 | \$7,539,597.73 |

Note: Amounts were taken directly from the financial reports filed with the Department by the organizations.

The fee for any first license in any category is \$25.

| <u>License Fees</u> | Type of License | Number Issued | Fees Collected |
|---------------------|------------------------|---------------|---------------------|
| | Annual Bingo | 512 | \$ 3,142,100 |
| | Annual Bingo/Pull Tabs | 3 | 20,000 |
| | Charity Game Night | 177 | 6,225 |
| | Door Prize | 11 | 850 |
| | Festival | 299 | 68,575 |
| | Pull Tab | 308 | 421,700 |
| | Raffle | 698 | 81,625 |
| | Special Bingo | 185 | 9,500 |
| | Total | 2,193 | \$ 3,750,575 |

Although the amount of gross revenue decreased from FY03 to FY04, the amount of profit increased approximately \$1.7 million.

| <u>Concession Income</u> | License Type | Number Reported | Income |
|--------------------------|------------------------|-----------------|---------------------|
| | Annual Bingo | 197 | \$ 1,962,678 |
| | Annual Bingo/Pull Tabs | 2 | 81,968 |
| | Charity Game Night | 43 | 71,228 |
| | Door Prize | 1 | 5,113 |
| | Festival | 195 | 2,368,529 |
| | Pull Tab | 1 | 50,540 |
| | Raffle | 59 | 200,201 |
| | Special Bingo | 122 | 50,248 |
| | Total | 620 | \$ 4,790,505 |

Financial Information by County

The following information is a breakdown of individual organizations by county. The information was obtained from all Forms CG-8, Annual Bingo Financial Reports, and Forms CG-9, Single Event Financial Reports, received during Fiscal Year 2004. The number of licenses issued during the fiscal year may differ from the number of financial reports actually received during the fiscal year due to licenses being issued prior to the event.

Information pertaining to nonprofit organizations is available for public inspection according to IC 6-2.1-8-4. This includes all applications for exemption and all annual reports filed by the nonprofit organizations under IC 6-2.1-3-19, IC 6-2.1-3-20, IC 6-2.1-3-21, and IC 6-2.1-3-22, which also includes information on the above-mentioned forms.

Some organization names may appear more than once in the following listings for any of the following reasons:

- More than one type of charity gaming license may be held at a time; and,
- An unlimited number of door prize, raffle, and special bingo licenses may be issued to organizations during the same year, as long as all required applications and fees have been received and approved by the Indiana Department of Revenue; and,
- The organizations were late in filing or filed amended financial reports for the previous year.



*Information
pertaining to
nonprofit
organizations
is available
for public
inspection
according to
IC 6-2.1-8-4.*



Form CG-8

Indiana Annual Bingo and/or Pull Tab License Financial Report

The statistics on the following pages were derived from information reported by organizations to the Department on Form CG-8.

Gross Receipts

(Page 2)

Total Expenses

Net Proceeds

Amount Given to Other Organizations

Amount Retained for Use by the Organization

Undistributed Income

The Percent Profit figure in the Annual Bingo Licenses section was calculated as follows:

Net Proceeds/Gross Receipts = Percent Profit

| Income and Expense Summary | | | |
|---|---|---|-----|
| Gross Income | | Expenses | |
| Income Sources: | | Prizes/Payouts: | |
| Bingo | 1 | Bingo | 10 |
| Pull Tabs | 2 | Pull Tabs | 109 |
| Punchboards | 3 | Tip Boards | 11 |
| Tip Boards | 4 | Raffles | 12 |
| Raffles | 5 | Door Prize | 13 |
| Concessions | 6 | Supplies and Purchases: | |
| Other Gross Income (Attach itemized sheet or listing) | 8 | Bingo Game Supplies | 14 |
| | | Pull Tabs, Punchboards, and Tip Board Purchases | 15 |
| | | Other Purchases | 16 |
| Section B | | Miscellaneous Expenses: | |
| Total | | Rent to Independent Lessor | 17 |
| Total Gross Income *Add lines 1-8. *This amount will be used to calculate your fee. | 7 | Rental of Tangible Personal Property (i.e. chairs, tables, roulette wheel, bingo mowee, etc.) | 18 |
| | | Advertising | 19 |
| | | Concessions | 20 |
| | | Other Gaming Related Expenses | 21 |
| | | | 22 |
| Total Expenses (Add line 21 through 22. Enter here and on line B of Section B) | 8 | | 23 |
| Total net proceeds available for charitable purposes (A minus B) | 9 | | 24 |

***Do not alter lines on this form.
The following is considered Bingo Income: Hotball, Pickle Jar, Cookie Jar, etc.
The sales of Daubers or other retail sales should be listed on Line 8. (Please list sources)

| Charitable Contributions Information | | | | | |
|--|---------|----------------|---|----------|----------------|
| These amounts must have been derived from your Charity Gaming proceeds. | | | | | |
| 24. Net Proceeds from line 9 of the Income and Expense Summary, Section B, page 2 | 24 | | | | |
| 25a. Amount from line 24 designated for charitable purposes | 25a | | | | |
| These contributions must be made to 501(c)(3) individual(s) other than your own. Details of these contributions need to be reported on Schedule D. | | | | | |
| 25b. Amount from line 24 retained for and/or spent on your organization | 25b | | | | |
| These funds must have been used for the lawful purpose of your organization. | | | | | |
| 26. Add the amounts from Lines 25a and 25b and enter total here | 26 | | | | |
| 27. Undistributed balance (A net 24 minus Line 26) | 27 | | | | |
| Manufacturer and Distributor Information | | | | | |
| 27. List the manufacturer(s) and/or distributor(s) from whom you purchased bingo supplies, pull tabs, punchboards, and/or tip boards. Attach additional sheets if necessary. | | | | | |
| Name | Address | City | State | Zip Code | License Number |
| | | | | | |
| | | | | | |
| Financial Information | | | | | |
| 28. Where are the charity gaming financial records maintained? | | | | | |
| Address | | | | | |
| City | State | Zip Code | | | |
| 29. Name, address, and telephone number of the person maintaining these records. | | | | | |
| Name | | | | | |
| Address | | | | | |
| City | State | Zip Code | Daytime Telephone Number | () | |
| 30. Organization's Banking Information (Attach additional sheets if necessary) | | | | | |
| Name of Bank | | | | | |
| Street Address | | | | | |
| City | State | Zip Code | County | | |
| Name of Account | | Account Number | Type of Account (Checking, savings, CD) | | |
| Name of Savings Account | | Account Number | Type of Account (Checking, savings, CD) | | |

(Turn the page) 14

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