

Legislative Update - Effective May 26, 2007



Linked Bingo

Number of games allowed; progressive allowed - An organization may conduct or participate in not more than than *two* linked bingo games per occasion, one of which may be a *progressive game* in which a portion of the prize is carried over from one occasion to another until won by a player achieving a bingo within a predetermined amount of bingo numbers called.

[Minn. Stat. 349.17, Subdivision 8(a)]

Prize limits

Contribution amount - An organization may not contribute more than \$300 *per linked bingo game to a linked bingo prize pool*. [Minn. Stat. 349.211, Subdivision 1a(1) and 349.17, Subdivision 8(b)]

Consolation prize - An organization may not award more than \$200 for a linked bingo game consolation prize. A linked bingo game consolation prize is a prize awarded by an organization after a prize from the linked bingo prize pool has been won.

[Minn. Stat. 349.211, Subdivision 1a(2)]

Cover-all prize - The requirement that an organization must reduce the amount contributed to the linked bingo prize pool from the total value of cover-all prizes available during the bingo occasion was removed. [Minn. Stat. 349.211, Subdivision 1a(2)]

Progressive prize - For a progressive linked bingo game, if no player declares a valid bingo within the predetermined amount of bingo numbers called, a portion of the prize is carried over to another occasion until the accumulated prize is won. The portion of the prize that is not carried over must be awarded to the first player or players who declares a valid bingo as additional numbers are called. If a valid bingo is declared within the predetermined amount of bingo numbers called, the entire prize pool for that game is awarded to the winner.

The annual limit for (all) progressive bingo game prizes (\$48,000) must be reduced by the amount an organization contributes to progressive linked bingo games during the same calendar year. [Minn. Stat. 349.211, Subdivision 1a(3)]

There is no limit on the progressive amount awarded for a linked bingo game. [Minn. Stat. 349.211, Subdivision 2]

Separate account

The requirement for an organization to have a separate bank account for the linked bingo prize pool account was eliminated.

[Minn. Stat. 349.19, Subd. 2b]

Linked bingo prize pool

Effective August 1, 2007 - The definition of "linked bingo prize pool" was amended to allow a portion of the prize pool to be carried over from one occasion to another in a progressive linked bingo game. [Minn. Stat. 349.12, Subdivision 25d]

Bingo Cover-all Game

A **cover-all game** may include a game in which all odd or all even numbers are designated by the organization as covered prior to the start of the game. (Per rule, this requires the use of sealed bingo paper.) Minn. Stat. 349.211, Subdivision 1]

Legislative Update - Effective May 26, 2007

Pull-tab and Tipboard Games

Approval

The Board is prohibited from denying approval of a pull-tab or tipboard game solely because the game is similar to or bears the name or image of a licensed commercial product. *[Minn. Stat. 349.163, Subdivision 6b]*

Ticket price

The maximum price allowed to be charged for a pull-tab or tipboard ticket was changed from \$2 to \$5.
[Minn. Stat. 349.211, Subd. 2a and 2c]

Legislative Update - Effective July 1, 2007

Allowable Expenses - Bingo

The percent of bingo gross receipts that may be used for allowable expenses changed. Effective July 1, 2007, it will be a straight 70% of bingo gross receipts. Currently it is 70% after taxes are deducted. Revenue will provide an updated form in July.
[Minn. Stat. 349.15, Subdivision 1]

Legislative Update - Effective August 1, 2007

Fraternal Organizations

Definition - "Fraternal organization" means a nonprofit organization which is a branch, lodge, or chapter of a national or state organization registered by the Internal Revenue Service as a 501(c)8 or a 501(c)10 nonprofit organization and exists for the common business, fraternal, or other interests of its members. The term does not include college and high school fraternities and sororities. *[Minn. Stat. 349.12, Subdivision 16a]*

Lawful purpose expenditure under code A-16 was amended to include fraternal organizations, i.e. an expenditure by a **licensed fraternal organization** or a licensed veterans organization for payment of water, fuel for heating, electricity, and sewer costs for a building wholly owned or wholly leased by and used as the primary headquarters of the licensed veterans organization or **fraternal organization**.
[Minn. Stat. 349.12, Subdivision 25(a)(16)]

Tax Refunds Mailed

On April 28, 2007, the Department of Revenue issued 1,238 unsold ticket tax refunds to licensed organizations.

The total amount refunded was \$4,378,600.

If you haven't received your refund, contact the Department of Revenue at 651-297-1772.