

Charitable Gaming Newsletter

Summer 2018

INSTANT BINGO PULL TAB VENDING MACHINES

HB 2194, a bill regarding instant bingo vending machines was passed this spring and signed into statute by Governor Colyer. This statute allows nonprofit organizations that have a bingo license, to purchase or lease an instant bingo vending machine from a licensed bingo distributor or the Kansas lottery.

- Each organization may lease/purchase up to two machines.
- These machines may only be operated during business hours.
- All bingo funds must be kept separate from other funds within the organization, including, but not limited to, alcohol and food sales.
- Organizations must complete a daily record for all ticket sales and make a timely bingo deposit for sales made.
- A bingo volunteer or a paid employee of the organization must complete any and all instant bingo transactions.

The Kansas Department of Revenue (KDOR) is currently reviewing their forms and will be adding verbiage to multiple forms, where organizations must inform the KDOR that they have an instant bingo vending machine and are making sales from it.

RAFFLE SOFTWARE

Non-profit organizations in Kansas are allowed to purchase raffle software from a third party vendor. The non-profit organization must manage, operate and conduct any and all raffles, without assistance from professional raffle or lottery vendors. The software cannot be used as an electronic gaming device, as defined in K.S.A. 75-5173(k). To avoid possible conflict with raffle regulations and statutes in other states, a geofence that allows online ticket sales to only individuals located within the Kansas State boundary lines is highly recommended.

ELECTRONIC BINGO MACHINES

As of July 1, 2018, electronic bingo machines will no longer be considered reusable cards but will be viewed as bingo faces and taxed as such. Distributors will be required to collect and remit the tax on all electronic bingo faces at \$0.002 per face sold.

QUEEN OF HEARTS: UPDATE

The raffle many organizations have been playing is illegal according to Kansas law. The raffle part of the game is legal, however the "Choosing of a card" is considered a game of chance and therefore illegal and must not be played within your organization.

Bingo! DID YOU KNOW???

In the Mid-Winter Newsletter we shared K.A.R. 92-23-56(d) once sold, instant bingo tickets shall remain within the premises designated by the licensee for the conduct of games of bingo and shall be disposed of by placing them in receptacles provided by the licensee. The licensee shall be responsible for arranging for the removal and disposal of the instant bingo tickets. However, the licensee shall retain all winning tickets. A ruling was established that all winning bingo tickets must be kept from the beginning of the instant bingo game, until the end of the instant bingo game plus an additional three months. This time period has been established for review if any complaints are received. Example: Organization A begins selling an instant bingo game on July 3, 2018 and sells the final ticket of the game on July 31, 2018. Organization A must retain all winning tickets for the game until October 31, 2018.

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