

CHARITABLE GAMING ANNUAL REPORT- Raffles
KANSAS DEPARTMENT OF REVENUE- January 11,2016
Administrator of Charitable Gaming, Patsy Congrove

HOUSE BILL 2155 Section 18 (b)

The administrator shall prepare an annual report on the operation of charitable raffles in this state. The report shall contain any recommended changes to the law to enhance the enforcement of the act. The annual report shall be submitted to the house and senate committees on federal and state affairs. The report shall be submitted on or before January 15 of each year beginning in 2016 and ending with the report due on or before January 15, 2018.

In the period between July 1 and December 31, 2015 there have been forty-four raffle licenses issued to non-profit organizations in the state of Kansas.

There is a \$25,000 revenue threshold for non-profits to conduct raffles before a state license is required. If an organizations fundraising efforts exceed this threshold they must apply for a raffle license. With the threshold set at this amount many organizations can legally conduct raffles without state licensure.

The break-down of current licensees is as follows:

Estimated revenue amounts	Number of licensees
\$25,000-\$50,000	26
\$50,000 - \$75,000	10
\$75,000 - \$100,000	2
\$100,000 or more	6
Total:	44 licensees
Revenues:	\$1,900.00

Phone calls/inquiries from July 1 to December 31, 2015

Follow-up on complaints: 4

Complaints resolved: 4

Nature of complaint: Educational

Points of interest:

*On the Charitable Gaming website best practices for raffles that involve fire arms are posted on the Department of Revenue-website. This information was provided by the Federal Bureau of Alcohol Tobacco Firearms and Explosives.

*The names of raffle licenses are confidential information. K.S.A. 78-5133 (b)(18)

*Organizations may file their application online by going to Kansas Department of Revenue website found under Charitable Gaming.

Recommendations:

The Department of Revenue has no legislative recommendations.

Welcome to the Kansas Charitable Gaming website

House Bill 2155 creates the Kansas Charitable Gaming Act. Specific changes have been made to charitable bingo laws, as well as the purpose, regulation, licensure, taxation, and enforcement of charitable raffles as proposed by the bill. Charitable bingo is also included in this bill.

The changes for raffles came about because of a constitutional amendment that was approved by the voters of Kansas in November 2015. See more raffle information here.

Fee schedule for charitable gaming licenses

Bingo = \$25 per year

Raffle = Nonprofit organization where annual gross receipts:

- are more than \$25,000 but do not exceed \$50,000 shall pay a license fee of \$25.
- exceed \$50,000 but do not exceed \$75,000 shall pay a license fee of \$50.
- exceed \$75,000 but do not exceed \$100,000 shall pay a license fee of \$75.
- exceed \$100,000 shall pay a fee of \$100.

Renewals for all charitable gaming licenses are the same as the original license.

All charitable gaming licenses expire annually on June 30.

Definitions:

Gambling - Three components determine gambling. Consideration is given. That means something is given and something is received. Participation in a game of chance. A prize is awarded.

Gross receipts - The number of tickets to be sold multiplied by the selling price of a single ticket. Each ticket shall be calculated at its individual selling price before any tickets are discounted. All charitable raffles conducted within a licensing period shall be considered when determining gross receipts.

Licensing period - Calendar periods of July 1 through June 30

Who Needs A Bingo License?

- Kansas law permits non-profit religious, educational, charitable, and fraternal and veterans organizations to conduct bingo games in which the players are charged for participation if the organization first obtains a bingo license from the Kansas Department of Revenue. No license is required if a bingo game sponsor offers free bingo games or merely encourages a voluntary contribution. Bingo licenses cost \$25 and are good for 12 months commencing on July 1 of each year.
- Kansas law requires that any person or business which leases facilities or premises to an organization for the conduct of bingo games on a daily basis or charges rent based upon the organization's revenue from bingo games must be registered and is subject to various restrictions. Bingo premises registration certificates cost \$100 and are good for twelve months commencing on July 1 of each year.
- Kansas law also requires that any person or business which sells disposable paper bingo faces or pull-tabs to an organization with a bingo license must be registered and is subject to various restrictions. Bingo distributor registration certificates cost \$500 and are good for twelve months commencing on July 1 of each year. A one-time cash bond of \$1,000 is also required.

Charitable Gaming Q & A:

How should organizations handle a raffle with a firearm as a prize?

The Kansas Department of Revenue recommends raffles containing firearms be finalized through a Federal Firearms Licensee (FFL). The check performed by the FFL protects both the charity and the winner by checking the ability of the winner to possess the firearm and the firearm itself. You may call the Bureau of Alcohol, Tobacco, Firearms and Explosives at 816-410-6000 and ask for industry operations if you have further questions regarding the FFL process.

Mail:

Administrator of Charitable Gaming
Docking State Office Building
915 SW Harrison Street
Topeka, KS 66625-3512

Telephone:

785-368-8222

Persons wanting to meet with the administrator should make an appointment, since the administrator is often away from the office visiting bingo games.

Licensed organizations, premises and distributors in Kansas

- <https://www.kdor.org/bingo/contacts.aspx>

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