

Hall of the House of Representatives

87th General Assembly - Regular Session, 2009

Amendment Form

Subtitle of House Bill No. 1111

"AMENDING ARKANSAS LAW CONCERNING CHARITABLE BINGO AND RAFFLES."

Amendment No. 2 to House Bill No. 1111.

Amend House Bill No. 1111 as engrossed, H1/22/09 (version: 01-22-2009 08:58):

Delete SECTION 1 of the bill in its entirety and substitute the following:

SECTION 1. Arkansas Code § 23-114-102 is amended to read as follows:
23-114-102. Definitions.

As used in this chapter:

(1)(A) "Authorized organization" means an organization eligible for a license to conduct games of bingo and raffles that is a nonprofit tax-exempt religious, educational, veterans, fraternal, service, civic, medical, volunteer rescue service, volunteer firefighters organization, or volunteer police organization that has been in continuing existence as a nonprofit tax-exempt organization in this state for a period of not less than five (5) years immediately prior to conducting the game of bingo or raffles.

(B) A nonprofit tax-exempt instrumentality of the United States Government is a service agency for the purpose of this subdivision (1);

(2)(A) "Bingo equipment" means equipment and supplies used, made, or sold for the purpose of use in bingo.

(B) "Bingo equipment" includes:

(i) A machine or other device from which balls or other items are withdrawn to determine the letters and numbers or other symbols to be called;

(ii) A bingo face;

(iii) A bingo ball; and

(iv) Any other device commonly used in the direct operation of a bingo game.

(C) "Bingo equipment" is not intended and shall not be construed to permit the participants to play the game through:

(i) Any electronic device or machine; or

(ii) A pull-tab bingo ticket.

(D) "Bingo equipment" does not include:

(i) A bingo game set commonly manufactured and sold as a child's game for a retail price of twenty dollars (\$20.00) or less, unless the set or a part of the set is used in a game of bingo subject to



regulation under this chapter; or

(ii) A commonly available component part of bingo equipment such as a light bulb or fuse.

~~(E)(3)~~ (3) "Bingo face" means a ~~disposable~~ sequentially numbered flat piece of paper that may be used one (1) time and that cannot be reused after the game in which the bingo face was used has ended. The bingo face is marked off into any number of squares in any arrangement of rows, with each square being designated by number, letter, or combination of numbers and letters, and with one (1) or more squares designated as a "free" space ~~with the word "Arkansas" and a facsimile outline of a map of Arkansas on the space;~~

~~(3)(4)~~ (4) "Bingo session" means all activities incidental to the conduct of a series of games of bingo by a licensed authorized organization, beginning when the first game of bingo of a bingo session is commenced by calling the first bingo ball drawn, such session not to exceed five (5) consecutive hours during any one (1) twenty-four-hour calendar day;

~~(4)(5)~~ (5) "Charitable purpose" means a purpose described by § 23-114-504;

~~(5)(6)~~ (6) "Department" means the Department of Finance and Administration;

~~(6)(7)~~ (7) "Director" means the Director of the Department of Finance and Administration;

~~(7)(8)~~ (8) "Distributor" means a person or business entity that sells, markets, or otherwise provides bingo equipment to a licensed authorized organization;

~~(8)(9)(A)~~ (9)(A) "Game of bingo" means a single game of the activity commonly known as "bingo" in which the participants pay a sum of money for the use of one (1) or more bingo faces.

(B) "Game of bingo" includes only a game in which the winner receives a preannounced, fixed-dollar prize and in which the winner is determined by the matching of letters and numbers on a bingo face imprinted with at least twenty-four (24) numbers, with letters and numbers appearing on objects randomly drawn and announced by a caller, in contemporaneous competition among all players in the game;

~~(9)(10)~~ (10) "Gross receipts" means the total amount received from the sale of raffle tickets and the sale, rental, transfer, or use of bingo faces and entrance fees charged at premises at which games of bingo or raffles are conducted without any deduction on account of prizes paid, losses, or any other expenses whatsoever;

~~(10)(11)~~ (11) "Licensed authorized organization" means an authorized organization that holds a license to conduct games of bingo or raffles;

~~(11)(12)~~ (12) "Manufacturer" means a person or business entity that produces finished bingo equipment from raw materials, supplies, or subparts and that sells, markets, or otherwise provides such equipment to a licensed distributor;

~~(12)(13)~~ (13) "Person" means any individual, company, partnership, limited liability company, joint venture, joint agreement, association, mutual or otherwise, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other private entity;

~~(13)(14)~~ (14) "Premises" means the area subject to the direct control of and actual use by a licensed authorized organization to conduct games of bingo. "Premises" includes a location or place;

~~(14)~~(15) "Primary business office" means the Arkansas location at which all records relating to the primary purpose of a licensed authorized organization are maintained in the ordinary course of business;

~~(15)~~(16)(A) "Raffle" means the selling of tickets to win a prize awarded through a random drawing;

~~(B)~~ provided that the term "raffle" shall "Raffle" does not include any game played through the use of a machine or electronic device; and

~~(16)~~(17) "Responsible person" means the person or persons within a licensed authorized organization that is responsible for organizing, conducting, and otherwise administering the licensed authorized organization's raffles or bingo sessions; and

~~(17)~~ "Taxpayer" means a distributor of bingo equipment licensed under this chapter.

AND

Page 4, delete lines 32 through 34 and substitute the following:

~~(2)~~(A)(1) All bingo faces must be purchased by the licensed authorized organization from a distributor licensed under this chapter.

~~(B)~~(2) Only one (1) game shall be played on each bingo face."

AND

Page 6, line 11, delete "an additional section" and insert "additional sections"

AND

Page 6, delete lines 14 and 15 and substitute the following:

"collected from the license fees levied under §§ 23-114-302 and 23-114-307 to the credit of the General Revenue Fund Account of the State Apportionment Fund."

23-114-310. Tax exemption.

Licensed authorized organizations shall be exempt from the Arkansas Gross Receipts Tax of 1941, § 26-52-101 et seq., and the Arkansas Compensating Use Tax Act of 1949, § 26-53-101 et seq., regarding:

(1) Purchases or sales of bingo faces; and

(2) Purchases of bingo equipment."

AND

Page 6, line 23, delete "One (1) or more" and substitute "No more than two (2)"

The Amendment was read _____
By: Representative Pennartz
MBM/BGS - 01-23-2009 11:53
MBM106 _____ Chief Clerk