

Department of Inspections and Appeals

Iowa Code Chapter 99B “Games of Skill or Chance, and Raffles”

Iowa Code chapter 99B was changed during the 2015 session of the Iowa General Assembly.

Major Components of the Rewrite:

- Charitable Gambling
 - *Record Keeping.* Updated record keeping requirements with modern transactional practices such as removing requirement that all expenses must be paid by check.
 - *Annual Gambling Report.* Moved annual gambling report to a calendar year timeframe rather than state fiscal year. Below is a guide of the timeframes for the next 3 reporting periods.

Due Date of Report	Period Begins	Period Ends
July 30, 2015	July 1, 2014	June 30, 2015
January 31, 2017	July 1, 2015	December 31, 2016
January 31, 2018	January 1, 2017	December 31, 2017

- *Very Small Raffles.* One very small raffle per calendar year may be held by a non-profit organization that qualifies for a Qualified Organization license without the requirement of obtaining the license. A very small raffle is where the
 - Total value of the cash and/or merchandise prize(s) is \$1,000 or less and the value of all entries sold is \$1,000 or less or
 - Total value of donated merchandise prize(s) is \$5,000 or less and the value of all entries sold is \$5,000 or less.
 - Please note this limited exception applies if the qualified organization’s gambling activities are LIMITED TO ONE very small raffle per year.
 - All gambling is taxable in Iowa thus even if a raffle is held under this exception sales tax will still be due to the State of Iowa.
- *Charitable Gambling in places serving alcohol and with gaming.*
 - Charitable gambling is prohibited on a casino floor.
 - Charitable gambling may be held in ballrooms, hotels, and other areas on casino property off the casino floor.
- *Expense limitation.* Changed limitations on expenses from 25% to 40%, which are reported on the gambling report.
- *Bingo.*
 - Increased the number of bingo occasions allowed per month to 15 rather than 14 which had created challenges in 31 day months for those places with regular days of the week.
 - *Bingo Prize Limits.* Increased the limit of prizes for non-jackpot bingo games from \$100 to \$250. Increased the maximum a jackpot can begin at from \$300 to \$500.
 - Removed the requirement that the organization conducting bingo must announce both the gross receipts from the bingo occasion and also the use to which the net receipts will be dedicated and distributed.
 - Changed when prize payout amounts must be posted.
 - Prior to the beginning of the bingo occasion the prize or method for determining the prize must be posted.
 - Prior to the beginning of the game the exact amount of the prize shall be announced.

- *Electronic raffles.* Added section for electronic raffles frequently held at large sporting events.
 - The organization conducting the raffle must have a 2 year Qualified Organization license.
 - The Qualified Organization must only use an electronic raffle system, which has been certified by an entity approved by the Department and purchased from a licensed manufacturer or distributor.
 - Only 1 electronic raffle per calendar day may be held.
 - The Qualified Organization may hold 1 large electronic raffle and an unlimited number of small electronic raffles per calendar year.
 - Entries for an electronic raffle shall not be preprinted.
 - The electronic raffle receipt shall contain certain required information.
 - The Qualified Organization shall use a manual drawing procedure.
- *Eliminated additional licenses of qualified organizations.* Eliminated licenses for games nights, raffle at a fair, and veteran's card tournament licenses.
 - Raffles at a fair are now covered under the Qualified Organization license with the same limits as raffles elsewhere.
 - Game Nights may still be held once per calendar year for all licensed Qualified Organizations only without the need of an additional license. Also, prizes at these game nights may include cash for all licensed Qualified Organizations.
 - Card Tournaments may still be held twice per month by all licensed Qualified Organizations representing veterans with a 501(c)(19) status from the IRS only without the need of an additional license.
- Forms of payment allowed—Change the ability to pay for
 - Charitable gambling by any of the following methods:
 - personal check
 - money order
 - bank check
 - cashier's check
 - electronic check
 - debit card
 - Registered amusement devices, mobile amusement concessions, and social gambling remain payable by cash only.
- Registered Amusement Devices—
 - Increased from 2 to 4 the number of registered Amusement Devices that a bar or tavern with a liquor license may have.
 - Eliminated manufacturer's representative as a registration type and changed the definition of manufacturer to include both manufacturers and manufacturer representatives.
- Manufacturers and Distributors of bingo equipment and supplies & electronic raffle systems—
 - Combined bingo manufacturers and distributors into 1 group versus 2 separate ones
 - Added in companies that manufacture and distribute electronic raffle systems.
 - This 1 license at a cost of \$1,000 allows an organization to make and sell all of these products.

- Amusement Concessions—
 - Increased the limit of prizes from \$50 to \$100 for games of skill and chance held by a person for profit.
 - Increased the maximum cost to play from \$3 to \$5.
 - Changed that the games being licensed are no longer limited to being at a fair, festival, or amusement park.
- Social Gambling—Increased the limit from \$50 to \$200 on how much participants can win or lose in a 24 hour period of time when making social wagers or bets on card and parlor games including, but not limited to:
 - Poker
 - Pinochle
 - Pitch
 - Gin Rummy
 - Bridge
 - Euchre
 - Hearts
 - Billiards
 - Darts
 - Chess
 - Checkers
 - Dominoes
 - Backgammon
 - Cribbage