

Revenue Notice # 94-19 Special Taxes: Discounts and Coupons in Relation to Bingo Gross Receipts

The Department's policy has been to require the value of a coupon or discount to be included in gross receipts for bingo even though actual cash has not been received. On review the Department has decided to adopt a different interpretation. For purposes of taxation under Chapter 297E gross receipts from bingo will now include only the amount actually received for bingo cards and sheets and will not include amounts that are not received because of a discount or coupon. All organizations will be required to have complete and accurate records to account for coupons or discounts. Failure to maintain documentation of discounts or coupons will result in the value of these items being included in the organization's bingo gross receipts. This notice reflects a change in the position of the Department of Revenue.

Organizations which have filed and paid gambling tax based upon the department's prior position may be entitled to refunds in relation to periods for which the time to claim a refund has not expired.

Organizations interested in making refund claims must have all supporting documentation and should contact the Lawful Gambling Unit of the Special Taxes Division to receive information and instructions on how to apply for such refunds at 651-297-1772.

Patricia A. Lien

Assistant Commissioner for Tax Policy

Dated : August 29, 1994