

*CHARITY
GAMING*

*INDIANA
GAMING
COMMISSION*

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HOW DID WE GET TO WHERE WE ARE?

Legislature established Charity Gaming

Initial Regulatory authority to the Indiana Department of Revenue
Later transferred to the Indiana Gaming Commission

How do we regulate?

Statute

Rule

Guidance



CHARITY GAMING AUTHORIZATION

IC 4-32.3-1-1 Application of article

Sec. 1. (a) This article applies only to a **qualified organization**.

(b) This article applies only to the following approved gambling activities conducted as fundraising activities by **qualified organizations**:

(1) Bingo events, casino game nights, raffles, festivals, and other gaming activities approved by the commission.

(2) The sale of pull tabs, punchboards, and tip boards:

(A) at bingo events, casino game nights, raffles, and festivals conducted by qualified organizations; or

(B) at any time on the premises owned or leased by qualified organizations and regularly used for the activities of **qualified organizations**.

This article does not apply to any other sale of pull tabs, punchboards, and tip boards.

(c) This article does not apply to a promotion offer subject to [IC 24-8](#).

(d) This article does not apply to the following:

(1) A type II gambling game authorized by [IC 4-36](#).

(2) A raffle or other gambling game authorized by [IC 4-36-5-1\(b\)](#).

(e) This article does not apply to a prize linked savings program that:

(1) is offered or conducted by an eligible financial institution under [IC 28-1-23.2](#);

(2) is:

(A) offered or conducted by a credit union organized or reorganized under United States law; and

(B) conducted in the same manner as a prize linked savings program under [IC 28-1-23.2](#); or

(3) is:

(A) offered or conducted by an insured depository institution (as defined in 12 U.S.C. 1813) that is:

(i) a national bank formed under 12 U.S.C. 21;

(ii) a state member bank (as defined in 12 U.S.C. 1813);

(iii) a state nonmember bank (as defined in 12 U.S.C. 1813); or

(iv) a savings association (as defined in 12 U.S.C. 1813); and

(B) conducted in the same manner as a prize linked savings program under [IC 28-1-23.2](#).

As added by P.L.58-2019, SEC.4.



IC 4-32.3-2-31 "Qualified organization"

Sec. 31. (a) "Qualified organization" refers to any of the following:

(1) A bona fide charitable organization, including civic, fraternal, and veterans organizations, operating in Indiana that:

(A) has a **constitution, articles, charter, or bylaws** that contain a clause that provides that **upon dissolution** all remaining assets shall be used for the nonprofit's stated purposes; and

(B) satisfies at least one (1) of the following requirements:

(i) The organization is in existence in Indiana.

(ii) The organization is affiliated with a parent organization that is in existence in Indiana.

(iii) The organization has reorganized and is continuing its mission under a new name on file with the secretary of state of Indiana and with a new tax identification number after having satisfied the requirements set forth in either item (i) or (ii).

(2) A bona fide political organization operating in Indiana that produces exempt function income (as defined in Section 527 of the Internal Revenue Code).

(3) A state educational institution (as defined in [IC 21-7-13-32](#)).

(4) A bona fide national organization operating in Indiana.

(5) A bona fide national foundation.

(6) A professional sports team foundation.

(b) For purposes of [IC 4-32.3-4-3](#), a "qualified organization" includes the following:

(1) A hospital licensed under [IC 16-21](#).

(2) A health facility licensed under [IC 16-28](#).

(3) A psychiatric facility licensed under [IC 12-25](#).

(4) An organization defined in subsection (a).

(c) Evidence that an organization satisfies subsection (a)(1)(B)(iii) includes the following:

(1) Evidence of the organization's continued use of a service mark or trademarked logo associated with the organization's former name.

(2) Evidence of the continuity of the organization's activities as shown in the federal income tax returns filed for the organization.

(3) Evidence of the continuity of the organization's activities as shown by the most recent annual external financial reviews of the organization prepared by a certified public accountant.

(4) Any other information considered sufficient by the commission.

(d) Unless the construction is plainly repugnant to the intent of the general assembly or the context of the statute, "qualified organization" refers to an Indiana affiliate of a bona fide national organization or bona fide national foundation.

(e) Any organization seeking to be a "qualified organization" must complete all forms required by the commission.

As added by P.L.58-2019, SEC.4. Amended by P.L.114-2023, SEC.2.

IC 4-32.3-1-2 Purpose of article

Sec. 2. The purpose of this article is to permit a licensed **qualified organization**:

- (1) to conduct allowable activities; and
- (2) to sell pull tabs, punchboards, and tip boards; as a fundraising activity for lawful purposes of the organization.

As added by P.L.58-2019, SEC.4.

IC 4-32.3-2-2 "Allowable event"

Sec. 2. "Allowable event" means:

- (1) a bingo event;
- (2) a casino game night;
- (3) a raffle;
- (4) a festival;
- (5) a sale of pull tabs, punchboards, or tip boards; or
- (6) a gambling activity under [IC 4-32.3-4-11](#);

conducted by a **qualified organization** in accordance with this article and rules adopted by the commission under this article.

As added by P.L.58-2019, SEC.4.

IC 4-32.3-1-3 Authorization requirement

Sec. 3. A bingo event, casino game night, raffle, festival, or other charity gambling activity is **not** allowed in Indiana unless it is conducted by a **qualified organization** in accordance with this article.

As added by P.L.58-2019, SEC.4.

IC 4-32.3-3-3 Rules

Sec. 3. (a) The commission shall adopt rules under [IC 4-22-2](#) for the following purposes:

- (1) Administering this article.
- (2) Establishing the conditions under which charity gaming in Indiana may be conducted, including the manner in which a **qualified organization** may supervise a qualified card game conducted under [IC 4-32.3-5-11](#)(b).
- (3) Providing for the prevention of practices detrimental to the public interest and providing for the best interests of charity gaming.
- (4) Establishing rules concerning inspection of **qualified organizations** and the review of the licenses necessary to conduct charity gaming.
- (5) Imposing penalties for noncriminal violations of this article.
- (6) Establishing standards for independent audits conducted under [IC 4-32.3-5-5](#)(d).

(b) The commission may adopt emergency rules under [IC 4-22-2-37.1](#) if the commission determines that:

- (1) the need for a rule is so immediate and substantial that rulemaking procedures under [IC 4-22-2-13](#) through [IC 4-22-2-36](#) are inadequate to address the need; and
- (2) an emergency rule is likely to address the need.

As added by P.L.58-2019, SEC.4.

TYPES OF LICENSES

- **Annual Activity License**
- **Single Activity License**
- **Festival License**
- **Candidates Committee License**
- **Convention License**
- **Annual Affiliate License**
- **Exempt Activity Notification**



WHAT ARE EXEMPT EVENT NOTIFICATIONS

IC 4-32.3-4-3 Exceptions to licenses requirement; notice requirement; record keeping; capital improvement board facilities

Sec. 3. (a) A **qualified organization** is not required to obtain a license from the commission if the value of all prizes awarded at the allowable activity does not exceed two thousand five hundred dollars (\$2,500) for a single activity and not more than seven thousand five hundred dollars (\$7,500) during a calendar year.

(b) A **qualified organization** that plans to hold an allowable activity described in subsection (a) more than one (1) time a year shall send an annual written notice to the commission informing the commission of the following:

- (1) The estimated frequency of the planned allowable activities.
- (2) The location or locations where the qualified organization plans to hold the allowable activities.
- (3) The estimated value of all prizes awarded at each allowable activity.

(c) The notice required under subsection (b) must be filed not later than thirty (30) days before the **qualified organization** holds the first allowable activity of the year.

(d) A **qualified organization** that conducts an allowable activity described in subsection (a) shall maintain accurate records of all financial transactions of the activity. The commission may inspect records kept in compliance with this section.

(e) A **qualified organization** may conduct an allowable event under this section at a facility leased or owned by the capital improvement board of managers created under [IC 36-10-9](#).

As added by P.L.58-2019, SEC.4. Amended by P.L.114-2023, SEC.3.

68 IAC 21-9-3 - Notice of exempt event

(a) To conduct an exempt event, a **qualified organization** must submit written notice on the form or forms prescribed by the commission informing the commission of the following:

(1) Verification that the organization has been determined by the commission to be a **qualified organization**, including any of the following:

(A) A notice issued by the commission under section 2 of this rule in which the commission has determined that the organization is a qualified organization.

(B) Evidence that the organization has been previously determined by the commission to be a **qualified organization**.

(C) The information outlined in section 2(a) of this rule.

(2) The type or types of allowable activities the organization proposes to conduct.

(3) The date or dates and time or times of the planned exempt event or events.

(4) The location or locations where the **qualified organization** plans to hold the exempt event or events.

(5) The estimated retail value of all prizes to be awarded at each exempt event.

(6) The total retail value of all prizes awarded to date at all previously held gaming activities within the same calendar year.

(7) The names of at least three (3) operators who will supervise, manage, and be responsible for the operation of the allowable activity or activities, one (1) of whom must be designated as the principal operator.

(8) Whether the organization owns or intends to purchase licensed supplies, and if so, the name of the distributor.

(9) A sworn statement signed by the presiding officer and secretary of the organization attesting to the truth of the contents of the application, including the nonprofit character of the organization.

(b) An organization conducting an exempt event must prominently post the written notice acknowledged by the commission at the location of the event.

WHAT IS LICENSED SUPPLY AND HOW CAN I GET IT?

IC 4-32.3-2-22 "Licensed supply"

Sec. 22. "Licensed supply" refers to any of the following:

- (1) Bingo supplies.
- (2) Pull tabs.
- (3) Punchboards.
- (4) Tip boards.
- (5) Game boards, including but not limited to, raffle and coin boards.
- (6) Any other supplies, devices, or equipment designed to be used in allowable activities designated by rule of the commission.

As added by P.L.58-2019, SEC.4.

68 IAC 21-8-14 Licensed Supply

"Licensed supply," in addition to the items identified in IC 4-32.3-2-22, means any supplies, devices, or equipment critical to the conduct of any gaming activities at an allowable activity, including the following:

- (1) Roulette and any other prize wheels.
- (2) Bingo equipment.
- (3) Seal cards.
- (4) Tip board tickets.
- (5) Dispensing devices.
- (6) Sports-themed tip boards and pull tab games.
- (7) Any other gaming materials designed to be used in and necessary to conduct an allowable activity and specified by the executive director or commission.

IC 4-32.3-5-20 Obtaining supplies; paying for supplies

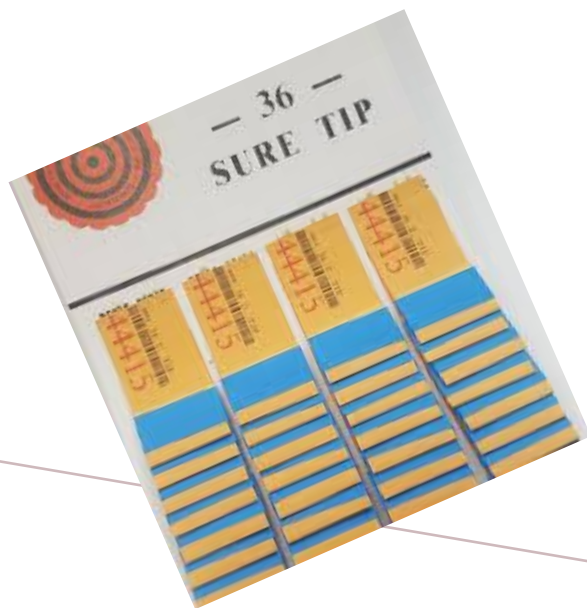
Sec. 20. (a) Except as provided in subsection (b), a **qualified organization shall** obtain licensed supplies from an entity **licensed** by the commission as a **distributor**.

(b) Subsection (a) does not apply to a reusable licensed supply:

- (1) constructed, purchased, or otherwise obtained by a qualified organization before January 1, 2009; or
- (2) borrowed at any time from another qualified organization.

(c) A qualified organization **may pay for licensed supplies only** with a check drawn on or by an electronic funds transfer from the qualified organization's gaming account.

As added by P.L.58-2019, SEC.4.



CAN WE ACCEPT CREDIT CARDS?

IC 4-32.3-5-23 **Acceptance of credit cards**

Sec. 23. (a) Subject to subsections (b) and (c), a **qualified organization** may accept credit cards at an allowable activity for the purchase of:

- (1) food and beverages;
- (2) merchandise; and
- (3) retail goods and services offered at a benefit auction.

(b) **Except as provided in subsections (c) and (d), a qualified organization may not accept credit cards or extend credit to a player for the purchase of:**

- (1) a chance to play any game of chance offered at an allowable activity; or
- (2) licensed supplies.

(c) A qualified organization, including a worker or volunteer ticket agent assisting the qualified organization, **may accept payment by credit card for the purchase of a chance to enter a raffle or water race at an allowable event if the payment is made face to face and not on the Internet.**

(d) A **qualified organization** may accept payment by credit card for the purchase of a chance to enter an allowable event if the allowable event **is conducted at a facility leased or owned by the capital improvement board of managers** created by [IC 36-10-9](#).

Guidance Regarding Credit Card Payments and Electronic Payment Processors pursuant to IC 4-32.3-5-23

Effective July 1, 2023, Qualified Organizations are allowed to accept payment by credit card for the purchase of a chance to enter a raffle or water race at an allowable activity, as long as the transaction is made face-to-face and not through the internet. Sales made through the internet remain prohibited. See Indiana Code § 4-32.3-5-23(c).

In order to effectuate these transactions, the Indiana Gaming Commission (the “Commission”) will begin allowing Qualified Organizations to utilize electronic payment processing applications, operating on telephone or tablet devices, to complete debit card and credit card transactions.

Utilization of electronic payment processors is subject to the following requirements:

1. Any organization desiring to utilize electronic payments processing applications for debit card and credit card transactions must provide notice to the Commission for that particular electronic payment processing application prior to using it for any transactions.
2. The Qualified Organization must create and maintain a single account for the Qualified Organization for the organization to use for such transactions.
 - a) Utilizing an individual’s electronic payment processing application account for transactions relating to the conduct of charity gaming is strictly prohibited.
 - b) The Qualified Organization’s electronic payment processing application account must connect to the Qualified Organization’s separate and segregated charity gaming account.
 - c) Proceeds from the conduct of charity gaming must be transferred from the Qualified Organization’s electronic payment processing application account to the Qualified Organization’s separate and segregated account within five (5) days pursuant to 68 IAC 21-10-9(n).
3. The electronic payment processing application must allow for the creation of a log of all transactions. See Indiana Code § 4-32.3-5-5.
4. Any fees charged by either the electronic payment processing application or credit card payment processor must be documented and accounted for by the Qualified Organization when calculating receipts or proceeds from an event. The total amount of the transaction, including fees, should be included in an organization’s gross revenue/receipts for an event. The fees can then be accounted for as expenses relating to the event.

Questions?

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