

2/28/00 Motion to R/C  
Motion withdrawn  
2/28/00 Motion to R/C by Hansen  
A. 2/29/00 motion w/0  
H. 2/29/00 State Gov.  
FILED FEB 14 2000

SENATE FILE 2143  
BY COMMITTEE ON STATE GOVERNMENT  
H. 3/14/00 Do. Pass  
H. 3/23/00 Unfinished Business  
(SUCCESSOR TO SF 2062) Calendar

Passed Senate, Date <sup>(p. 423)</sup> 2/28/00 Passed House, Date <sup>(p. 1349)</sup> 4/10/00  
Vote: Ayes 40 Nays 5 Vote: Ayes 68 Nays 25  
Approved 4-21-00

<sup>(p. 1100)</sup> Re-Passed 4-11-00  
Vote 38-11

**A BILL FOR**

1 An Act relating to the eligibility of certain school  
2 organizations to conduct games and raffles.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2143

1 Section 1. Section 99B.7, subsection 1, paragraph m,  
2 subparagraph (1), Code 1999, is amended to read as follows:

3 (1) The organization is eligible for exemption from  
4 federal income taxes under section 501(c)(3), 501(c)(4),  
5 501(c)(5), 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), or  
6 501(c)(19) of the Internal Revenue Code as defined in section  
7 422.3, or in lieu of eligibility for exemption from federal  
8 income taxes, the organization is a parent-teacher  
9 organization or booster club that is recognized as a fund-  
10 raiser and supporter for a school district organized pursuant  
11 to chapter 274 or for a school within the school district, in  
12 a notarized letter signed by the president of the board of  
13 directors, the superintendent of the school district, or a  
14 principal of a school within that school district.

15 EXPLANATION

16 This bill authorizes an organization such as a parent-  
17 teacher organization or a booster club of a school district  
18 organized pursuant to Code chapter 274 or a school within the  
19 school district to submit a notarized letter signed by the  
20 president of the board of directors, the superintendent of a  
21 school district, or the school principal recognizing the  
22 organization or club as a fund-raiser and supporter for the  
23 school district or school as a substitute for eligibility for  
24 exemption from federal income taxes as a requirement to be a  
25 qualified organization to conduct raffles and games of skill  
26 or chance.

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## SENATE FILE 2143

H-8666

1 Amend Senate File 2143, as passed by the Senate, as  
2 follows:

3 1. Page 1, by inserting before line 1 the  
4 following:

5 "Section 1. Section 99B.1, Code 1999, is amended  
6 by adding the following new subsection:

7 NEW SUBSECTION. 24. "Unrelated entity" means a  
8 person that has a separate and distinct state charter  
9 and tax identification number from any other person,  
10 and, if the person is an individual, an individual  
11 that is not related by law or by consanguinity."

12 2. Page 1, by inserting after line 14 the  
13 following:

14 "Sec. \_\_\_\_ . Section 99B.7, Code 1999, is amended by  
15 adding the following new subsection:

16 NEW SUBSECTION. 3A. If a licensee derives ninety  
17 percent or more of its total income from conducting  
18 bingo, raffles, or small games of chance, at least  
19 seventy-five percent of the licensee's net receipts  
20 shall be distributed to an unrelated entity for an  
21 educational, civic, public, charitable, patriotic, or  
22 religious use."

23 3. Title page, line 2, by inserting after the  
24 word "raffles" the following: "and the disposition of  
25 receipts from games and raffles".

By JACOBS of Polk

H-8666 FILED MARCH 30, 2000

*Adopted*  
*4-10-00*  
*(P. 1349)*

HOUSE AMENDMENT TO  
SENATE FILE 2143

S-5376

1 Amend Senate File 2143, as passed by the Senate, as  
2 follows:

3 1. Page 1, by inserting before line 1 the  
4 following:

5 "Section 1. Section 99B.1, Code 1999, is amended  
6 by adding the following new subsection:

7 NEW SUBSECTION. 24. "Unrelated entity" means a  
8 person that has a separate and distinct state charter  
9 and tax identification number from any other person,  
10 and, if the person is an individual, an individual  
11 that is not related by law or by consanguinity."

12 2. Page 1, by inserting after line 14 the  
13 following:

14 "Sec. \_\_\_\_\_. Section 99B.7, Code 1999, is amended by  
15 adding the following new subsection:

16 NEW SUBSECTION. 3A. If a licensee derives ninety  
17 percent or more of its total income from conducting  
18 bingo, raffles, or small games of chance, at least  
19 seventy-five percent of the licensee's net receipts  
20 shall be distributed to an unrelated entity for an  
21 educational, civic, public, charitable, patriotic, or  
22 religious use."

23 3. Title page, line 2, by inserting after the  
24 word "raffles" the following: "and the disposition of  
25 receipts from games and raffles".

RECEIVED FROM THE HOUSE

S-5376 FILED APRIL 10, 2000

*Senate Concurred*

*4-11-00*

*(P. 1100)*

SENATE FILE 2143

AN ACT

RELATING TO THE ELIGIBILITY OF CERTAIN SCHOOL ORGANIZATIONS TO CONDUCT GAMES AND RAFFLES AND THE DISPOSITION OF RECEIPTS FROM GAMES AND RAFFLES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

. Section 1. Section 99B.1, Code 1999, is amended by adding the following new subsection:

NEW SUBSECTION. 24. "Unrelated entity" means a person that has a separate and distinct state charter and tax identification number from any other person, and, if the person is an individual, an individual that is not related by law or by consanguinity.

Sec. 2. Section 99B.7, subsection 1, paragraph m, subparagraph (1), Code 1999, is amended to read as follows:

(1) The organization is eligible for exemption from federal income taxes under section 501(c)(3), 501(c)(4), 501(c)(5), 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code as defined in section 422.3, or in lieu of eligibility for exemption from federal income taxes, the organization is a parent-teacher organization or booster club that is recognized as a fund-raiser and supporter for a school district organized pursuant to chapter 274 or for a school within the school district, in a notarized letter signed by the president of the board of directors, the superintendent of the school district, or a principal of a school within that school district.

Sec. 3. Section 99B.7, Code 1999, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. If a licensee derives ninety percent or more of its total income from conducting bingo, raffles, or small games of chance, at least seventy-five percent of the

licensee's net receipts shall be distributed to an unrelated entity for an educational, civic, public, charitable, patriotic, or religious use.

\_\_\_\_\_  
MARY E. KRAMER  
President of the Senate

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BRENT SIEGRIST  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2143; Seventy-eighth General Assembly.

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MICHAEL E. MARSHALL  
Secretary of the Senate

Approved 4/21, 2000

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THOMAS J. VILSACK  
Governor

SF 2143