

**481—100.18(99B) Net receipts.** Requirements are set forth in Iowa Code section 99B.14.

**100.18(1) Examples.** The following examples illustrate methods to determine net receipts, allowable expenses, and the amount requested to be dedicated and distributed.

*a. Example 1.* When sales tax is not included in gross receipts, sales tax need not be deducted to arrive at net receipts.

Gross receipts (excluding sales tax)	\$100,000
Amount awarded as prizes	\$20,000
Net receipts	\$80,000
Minimum dedicated and distributed (60% of net receipts)	\$48,000
Maximum expenses (40% of net receipts)	\$32,000

*b. Example 2.* When sales tax is included in gross receipts, it is deducted to arrive at net receipts.

Gross receipts (including sales tax)	\$107,000
Amount awarded as prizes	\$20,000
Sales tax (7%)	\$7,000
Net receipts	\$80,000
Minimum dedicated and distributed (60% of net receipts)	\$48,000
Maximum expenses (40% of net receipts)	\$32,000

**100.18(2) Time for distribution.** Net receipts received during the calendar year shall be distributed no later than 30 days following the end of each calendar year, except as pursuant to Iowa Code section 99B.14(2)“a.”

[ARC 0014D, IAB 1/21/26, effective 2/25/26]