

481—100.4(99B) Additional requirements for licensure. In addition to requirements for licensure found in Iowa Code chapter 99B, the department may use the following standards to determine whether to issue a gambling license. These standards do not apply to licensure of manufacturers or distributors of bingo equipment and supplies or electronic raffle equipment.

100.4(1) Sales tax permit—exemptions. Qualified organizations shall either possess or have made application for a sales tax permit at the time the license application is submitted. The following gambling activities are exempt from sales and local option taxes:

- a. Gambling activities conducted by county and city governments.
- b. Gambling activities held by the Iowa state fair, Iowa state fair authority, or Iowa state fair foundation (organized under Iowa Code chapter 173), including gambling activities that occur outside of the annual scheduled fair event.
- c. Gambling activities held by a fair (as defined in Iowa Code section 174.1(2)), including gambling activities that occur outside of scheduled fair events.
- d. Raffles held by a licensed qualified organization at a fair as defined in Iowa Code section 99B.1 and pursuant to the requirements specified in Iowa Code section 99B.24.
- e. Raffles, whether or not they are conducted at a fair event, where the proceeds are used to provide educational scholarships by a qualifying organization representing veterans as defined in Iowa Code section 99B.27(1)“b.”

100.4(2) State tax liabilities. The applicant must have no outstanding state tax liabilities or, if there are outstanding state tax liabilities, the applicant must have entered into a negotiated repayment plan with the department of revenue and be current in all payments pursuant to the plan. A copy of the repayment plan shall be submitted with the licensure application.

100.4(3) Revocation—no license issued.

- a. No one involved in an organization with a gambling license revocation action pending will be granted a license similar to the license revoked.
- b. No one with a gambling license currently under revocation may be issued any gambling license during the period of revocation.
- c. A license will not be issued if there is a current revocation of either a gambling or a liquor license for the location named on the license application.

100.4(4) Criminal violations. No applicant shall have been convicted of or pled guilty to a criminal violation of Iowa gambling law.

100.4(5) Violations of gambling law or Iowa alcoholic beverage control Act. Violation of gambling law or the Iowa alcoholic beverage control Act affects whether a gambling license is issued.

- a. The applicant may have no more than two convictions of or guilty pleas to serious or aggravated misdemeanors in the last two years. This includes any combination of serious or aggravated misdemeanors.
- b. No liquor license shall have been suspended within the last 12 months because of a conviction of or guilty plea to a criminal violation of the Iowa alcoholic beverage control Act (Iowa Code chapter 123).
- c. No liquor license shall have been revoked because of a conviction of or guilty plea to a criminal violation of the Iowa alcoholic beverage control Act.
- d. No applicant shall have been convicted of a felony, federal or state, within five years of the date of the application. For felony convictions more than five years prior to the date of the application, citizenship rights must have been restored in order for the application to be considered.

[ARC 4013C, IAB 9/26/18, effective 10/31/18]