

House File 18 - Introduced

HOUSE FILE 18

BY SALMON

A BILL FOR

1 An Act concerning the distribution of gambling game receipts
2 for charitable purposes.

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

1 Section 1. Section 99F.6, subsection 4, paragraph a,
2 subparagraph (2), Code 2017, is amended to read as follows:

3 (2) A qualified sponsoring organization licensed to operate
4 gambling games under **this chapter** shall distribute the receipts
5 of all gambling games, less reasonable expenses, charges,
6 taxes, fees, and deductions allowed under **this chapter**, as
7 winnings to players or participants or shall distribute the
8 receipts for educational, civic, public, charitable, patriotic,
9 or religious uses as defined in section **99B.1**. A qualified
10 sponsoring organization shall provide that any organization
11 exempt from federal income taxes under section 501(c)(19) of
12 the Internal Revenue Code, as defined in section 422.3, shall
13 be eligible for a distribution of adjusted gross receipts for
14 educational, civic, public, charitable, patriotic, or religious
15 uses as required by this subparagraph. However, a licensee
16 to conduct gambling games under **this chapter** shall, unless an
17 operating agreement for an excursion gambling boat otherwise
18 provides, distribute at least three percent of the adjusted
19 gross receipts for each license year for educational, civic,
20 public, charitable, patriotic, or religious uses as defined in
21 section **99B.1**. However, if a licensee who is also licensed to
22 conduct pari-mutuel wagering at a horse racetrack has unpaid
23 debt from the pari-mutuel racetrack operations, the first
24 receipts of the gambling games operated within the racetrack
25 enclosure less reasonable operating expenses, taxes, and fees
26 allowed under **this chapter** shall be first used to pay the
27 annual indebtedness.

28 EXPLANATION

29 The inclusion of this explanation does not constitute agreement with
30 the explanation's substance by the members of the general assembly.

31 This bill requires a qualified sponsoring organization
32 licensed to operate gambling games under Code chapter 99F to
33 provide that any organization exempt from federal income taxes
34 under section 501(c)(19) of the Internal Revenue Code shall
35 be eligible for a distribution of adjusted gross receipts for

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1 educational, civic, public, charitable, patriotic, or religious
2 uses.