

CHAPTER 143

GAMBLING GAMES — DISTRIBUTION OF RECEIPTS FOR CHARITABLE PURPOSES

H.F. 289

AN ACT concerning the distribution of gambling game receipts for charitable purposes.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. [Section 99F6, subsection 4](#), paragraph a, subparagraph (2), Code 2019, is amended to read as follows:

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

Approved May 16, 2019