

**99B.27 Card game tournaments conducted by qualified organizations representing veterans.**

1. As used in [this section](#), unless the context otherwise requires:

a. “Card game” includes but is not limited to poker, pinochle, pitch, gin rummy, bridge, euchre, hearts, or cribbage.

b. “Qualified organization representing veterans” means any qualified organization which represents veterans, which is a post, branch, or chapter of a national association of veterans of the armed forces of the United States which is a federally chartered corporation, dedicates the net receipts of a game of skill, game of chance, or raffle as provided in [section 99B.14](#), and is exempt from federal income taxes under section 501(c)(19) of the Internal Revenue Code as defined in [section 422.3](#).

2. Notwithstanding any provision of [this chapter](#) to the contrary, card game tournaments lawfully may be conducted by a qualified organization representing veterans if all of the following are complied with:

a. The qualified organization representing veterans has been issued a license pursuant to [section 99B.12](#). The license application shall identify the premises where the card game tournaments are to be conducted and the occupancy limit of the premises, and shall include documentation that the qualified organization representing veterans has conducted regular meetings of the organization at the premises during the previous eight months.

b. The qualified organization representing veterans prominently displays the license in the playing area of the card game tournament.

c. The card games to be conducted during a card game tournament, including the rules of each card game and how winners are determined, shall be displayed prominently in the playing area of the card game tournament.

d. Each card game shall be conducted in a fair and honest manner.

e. Each card game shall not be operated on a build-up or pyramid basis.

f. Every participant in a card game tournament must be given the same chances of winning the tournament and shall not be allowed any second chance entries or multiple entries in the card game tournament.

g. Participation in a card game tournament shall only be open to members of the qualified organization representing veterans and guests of members of the qualified organization participating in the tournament, subject to the requirements of [this section](#).

h. The total number of members and guests participating in a card game tournament shall not exceed the occupancy limit of the premises where the card game tournament is being conducted.

i. Participants in a card game tournament shall be at least twenty-one years of age.

j. (1) If the card game tournament is limited to one guest for each member of the qualified organization representing veterans participating in the tournament, then the requirements of this subparagraph (1) shall apply. The cost to participate in a card game tournament under this subparagraph (1) shall be limited to one hundred dollars and shall be the same for every participant in the card game tournament. Cash or merchandise prizes may be awarded during a card game tournament under this subparagraph (1) and shall not exceed one thousand dollars and no participant shall win more than a total of five hundred dollars.

(2) If the card game tournament is not limited to one guest for each member of the qualified organization representing veterans participating in the tournament, then the requirements of this subparagraph (2) shall apply. The cost to participate in a card game tournament under this subparagraph (2) shall be limited to twenty-five dollars and shall be the same for every participant in the card game tournament. Cash or merchandise prizes may be awarded during a card game tournament under this subparagraph (2) and shall not exceed three hundred dollars and no participant shall win more than a total of two hundred dollars.

k. A qualified organization representing veterans shall distribute amounts awarded as prizes on the day they are won and merchandise prizes shall not be repurchased. An organization conducting a card game tournament shall only display prizes in the playing area of the card game tournament that can be won.

*l.* The qualified organization representing veterans shall conduct each card game tournament and any card game conducted during the tournament and shall not contract with or permit another person to conduct the card game tournament or any card game during the tournament.

*m.* The card game tournament and any card game conducted during the tournament shall be conducted only on the premises of the qualified organization representing veterans as identified in the license application as required by [this subsection](#).

*n.* A person shall not receive or have any fixed or contingent right to receive, directly or indirectly, any profit, remuneration, or compensation from or related to a game in a card game tournament, except any amount which the person may win as a participant on the same basis as the other participants.

*o.* A qualified organization representing veterans licensed under [this section](#) shall not hold a card game tournament within six calendar days of another card game tournament conducted by that qualified organization representing veterans. Card game tournaments held during a game night conducted pursuant to [section 99B.26](#) shall not count toward the limit of one card game tournament per six calendar days for a license holder. A qualified organization representing veterans shall be allowed to hold only one card game tournament during any period of twenty-four consecutive hours, starting from the time the card game tournament begins.

*p.* The person conducting the card game tournament shall not do any of the following:

(1) Hold, currently, another license issued under [this section](#).

(2) Own or control, directly or indirectly, any class of stock of another person who has been issued a license to conduct games under [this section](#).

(3) Have, directly or indirectly, an interest in the ownership or profits of another person who has been issued a license to conduct games under [this section](#).

3. The qualified organization representing veterans licensed to hold card game tournaments under [this section](#) shall keep a journal of all dates of events, amount of gross receipts, amount given out as prizes, expenses, amount collected for taxes, and the amount collected as revenue.

*a.* The qualified organization representing veterans shall dedicate and distribute the net receipts from each card game tournament as provided in [section 99B.14](#).

*b.* Each qualified organization representing veterans shall withhold that portion of the gross receipts subject to taxation pursuant to [section 423.2, subsection 4](#), which shall be kept in a separate account and sent to the state along with the organization's annual report required by [section 99B.16](#).

*c.* A qualified organization representing veterans licensed to conduct card game tournaments may withhold no more than five percent of the gross receipts from each card game tournament for qualified expenses. Qualified expenses include but are not limited to the purchase of supplies and materials used in conducting card games. Any money collected for expenses and not used by the end of the state fiscal year shall be donated for educational, civic, public, charitable, patriotic, or religious uses. The qualified organization representing veterans shall attach a receipt for any donation made to the annual report required to be submitted pursuant to [section 99B.16](#).

*d.* Each qualified organization representing veterans licensed under [this section](#) shall make recordkeeping and all deposit receipts available as provided in [section 99B.16](#).

4. *a.* A person under twenty-one years of age who participates in a card game tournament in violation of [this section](#) is deemed to violate the legal age for gambling wagering provisions under [section 725.19, subsection 1](#).

*b.* The department shall revoke, for a period of one year, the license of a qualified organization representing veterans to conduct card game tournaments under [this section](#) if the licensee knowingly permits a person under the age of twenty-one years to participate in a card game tournament.

[2007 Acts, ch 119, §1](#)

[CS2007, §99B.7B](#)

[2012 Acts, ch 1117, §3; 2015 Acts, ch 99, §13 – 18, 56](#)

C2016, §99B.27

[2016 Acts, ch 1011, §33, 34](#); [2021 Acts, ch 106, §7](#)

Referred to in [§99B.13, 423.2, 423.3](#)

Subsection 2, paragraph o amended