

**Illinois Department of Revenue
Regulations**

Title 86 Part 435 Section 435.140 Provider's License

**TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE**

**PART 435
CHARITABLE GAMES ACT**

Section 435.140 Provider's License

- a) In General
 - 1) Except as provided in this Section, any person owning, leasing or controlling premises upon which any charitable games event is to be conducted must first obtain a license to provide the premises for the charitable games event..
 - A) *A licensed provider, other than a municipality, may not provide the same premises for conducting more than 12 charitable games nights per calendar year. A municipality may provide the same premises for conducting 48 charitable games nights during a 12 month period. (Section 5 of the Act)*
 - B) A provider is authorized to provide premises for charitable gaming only for organizations that have been duly licensed by the Department. To ensure that the organization is duly licensed, the provider shall obtain from the organization a copy of its charitable games license, and shall retain this documentation in its books and records.
 - 2) A provider's license shall not be issued to an ineligible organization.
 - 3) Unless extended as provided in subsection (a)(4), an annual provider's license shall be valid only for the one-year period beginning with the effective date stated on the license, and a triennial provider's license shall be valid only for the three-year period beginning with the effective date stated on the license. However, as provided in Section 435.200, the Department may suspend or revoke a provider's license prior to the expiration of the one- or three-year period.

- 4) The Department may extend a provider's license beyond the period for which the license is otherwise valid (but not to exceed one year), provided that an application for a license with respect to the period covered by the extension has been first submitted to the Department in accordance with subsection (b), and provided that the person is otherwise eligible to hold a license.
- b) Applications. Application for a provider's license must be made on the form provided by the Department. Applications for an annual license must be accompanied by a nonrefundable license fee of \$50 in the form of a check or money order payable to the Illinois Department of Revenue. Applications for a triennial license must be accompanied by a nonrefundable license fee of \$150 in the form of a check or money order payable to the Illinois Department of Revenue. Any change in officers or directors, or partners, members, or stockholders owning at least 10% of the shares or interests of a licensed organization, must be reported to the Department within 30 days after the change. If ownership of a licensed organization is changed, a new application must be submitted to the Department (e.g., a corporate licensed organization is merged into a different corporation).
- c) A licensed organization may rent, lease or borrow premises on which to conduct charitable games only from an organization possessing a valid provider's license.
- d) *A licensed organization may conduct a charitable games event on premises it owns, or at which it has its principal office or conducts activities for which it was organized, without first obtaining a provider's license. In addition, the licensed organization may obtain a provider's license in accordance with this Section to allow it to rent or otherwise provide its premises to another licensed organization for the conducting of an additional 4 charitable games events. However, in no event shall a premises be used for the conducting of more than 12 events per calendar year, even if one or more licensed organizations owns, has its principal office in, or conducts activities for which it was organized in that premises. (Section 5.1 of the Act)*
- e) *A provider may receive reasonable compensation for the provision of the premises (Section 5 of the Act). Any arms-length agreement as to rent between a provider and a charitable games licensed organization shall be presumed to be reasonable, provided both parties are in full compliance with all provisions of this Section.*
- f) *A provider shall not have any interest in any supplier's business, either direct or indirect. No employee, officer, partner, agent, or owner of a provider may participate in the management or operation of a charitable*

games event, even if the employee, officer, partner, agent, or owner is also a member, volunteer or employee of the charitable games licensee, and regardless of whether compensated. (Section 5 of the Act)

- g) *A provider may not promote or solicit a charitable games event on behalf of a charitable games licensee or qualified organization (Section 5 of the Act). For instance, a provider may not maintain or operate a hotline, website or newsletter advertising the time and date of games. However, a marquis located on the provider's premises which indicates that a licensed organization is hosting a charity gaming night is permissible. A provider may not recruit a qualified organization for an event.*
- h) The provider's books and records relating to the provision of premises for charitable games events, including the documentation required by subsection (a)(1)(B), shall be maintained for a period of three years after the expiration of a license issued pursuant to this Section and shall be available for inspection by agents or employees of the Department during reasonable business hours.

(Source: Amended at 39 Ill. Reg. 4454, effective March 10, 2015)