

**Illinois Department of Revenue
Regulations**

Title 86 Part 435 Section 435.180 Imposition of Tax, Returns

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

**PART 435
CHARITABLE GAMES ACT**

Section 435.180 Imposition of Tax, Returns

- a) *There shall be paid to the Department 5% of the net proceeds of any charitable games event conducted in the State (Section 9 of the Act). "Net proceeds" means all money received, plus the fair market value of any property received, from the sale of chips, and the entire fee or donation charged for admission or entry into a charitable games event, minus all money, plus the cost to the organization of any noncash prize, paid out to participants to redeem chips at the conclusion of the event or when the participant leaves. For purposes of this Section, "fee or donation charged for admission or entry into a charitable games event" includes the amount paid to a sponsoring organization for hosting a charitable games event which is not open to the public (e.g., a "casino night" party which is hosted only for a corporation and its clients). The entire amount of an entry fee or donation is considered to be "net proceeds" even when payment does not entitle the person paying to receive any chips, and even though part or all of the fee represents payment for food or beverages.*
- b) Payment shall be made within 30 days after the completion of the charitable games events. In the case of a series of charitable games events conducted on successive days, the payment for all such events shall be made within 30 days after the completion of the last such event.
- c) *Accompanying each payment shall be a return on forms prescribed by the Department. The return shall be filed by the sponsoring organization and shall contain such information as the Department may require. The return shall include, on a form provided by the Department, the names, social security numbers and signatures of all individuals participating in the management or operation of the games, containing a signed statement by all such individuals and the presiding officer of the sponsoring organization that the organization has complied with all provisions of the Act. Failure to submit either the payment or return within the specified time may result in suspension or revocation of the license of the sponsoring organization. (Section 9 of the Act)*

- d) If a sponsoring organization intends to cancel a charitable games event, it must notify the Department in writing prior to the event. If it notifies the Department after the event date, it must file a return within 30 days after the scheduled date of the cancelled event.
- e) *The sale of tangible personal property at charitable games events is subject to all State and local taxes and obligations (Section 8(14) of the Act).*
- f) *Tax returns filed pursuant to the Act shall not be confidential and shall be available for public inspection (Section 9 of the Act).*

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