State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH SESSION

HOUSE FILE NO. 221

January 22, 2009
Authored by Tillberry and by request
The bill was read for the first time and referred to the Committee on Commerce and Labor

A bill for an act
relating to charitable gambling; providing for the gross receipts tax on pull-tabs and tipboards to be imposed and paid on a site-by-site basis; amending Minnesota Statutes 2008, section 297E.02, subdivision 6.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2008, section 297E.02, subdivision 6, is amended to read:

Subd. 6. **Combined receipts tax.** In addition to the taxes imposed under subdivisions 1 and 4, a tax is imposed on the combined receipts of the organization. As used in this section, "combined receipts" is the sum of the organization's gross receipts from lawful gambling less gross receipts directly derived from the conduct of bingo, raffles, and paddle wheels, as defined in section 297E.01, subdivision 8, for the fiscal year. The combined receipts of an organization are subject to a tax computed according to the following schedule:

If the combined receipts for the fiscal year are:	The tax is:
Not over $500,000	zero
Over $500,000, but not over $700,000	1.7 percent of the amount over $500,000, but not over $700,000
Over $700,000, but not over $900,000	$3,400 plus 3.4 percent of the amount over $700,000, but not over $900,000
Over $900,000	$10,200 plus 5.1 percent of the amount over $900,000

<u>The tax imposed under this subdivision is payable by the organization or party conducting, directly or indirectly, the gambling on a site-by-site basis.</u>

EFFECTIVE DATE. This section is effective July 1, 2009.