INDIANA GAMING COMMISSION

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MEMORANDUM

To: All Qualified Organizations Conducting Charity Gaming Events

From: Ernest E. Yelton, Executive Director

Re: Waiver of 68 IAC 21-3-2(s)(1) - Acceptance of Checks

Date: November 26, 2008

Pursuant to 68 IAC 21-3-2(s)(1), qualified organizations are prohibited from accepting checks from patrons when conducting an allowable event. One purpose of this rule is to protect qualified organizations from check fraud. However, as a result of numerous requests made regarding this provision, the Indiana Gaming Commission ("Commission") has decided to exercise its authority under 68 IAC 21-3-5 and Resolution 2008-109, and hereby issues a waiver of 68 IAC 21-3-2(s)(1) as outlined below.

As of this date, any qualified organization may now accept checks and check debit cards from patrons when conducting an allowable event. Although organizations are allowed to accept checks and check debit cards, no organization is required to do so. Any organization may continue to refrain from accepting either form of payment. All checks received by a qualified organization under this waiver must either be cashed or deposited by the organization within three (3) business days of receipt of the check.

Costs associated with accepting checks, such as check verification systems and non-sufficient fund charges, may be paid with charity gaming proceeds. However, no qualified organization is allowed to deduct bad check debt for purposes of calculating application of IC 4-32.2-5-4, its gross or adjusted gross income, gross gaming receipts, or its license fee.

Please be advised that this waiver does **not** allow qualified organizations to accept credit cards or credit card advances, although an organization may have an ATM machine located at its gaming facility.

This waiver applies to 68 IAC 21-3-2(s)(1) only; each qualified organization is required to follow all other state and regulatory guidelines in IC 4-32.2 and 68 IAC 21 regarding the conduct of charity gaming. This waiver may be revoked in its entirety or with respect to any individual organization at any time, if deemed necessary.

If you have any questions, please feel free to contact this office.