



MEMORANDUM

Date: September 16, 2019*
To: Qualified Organizations, Licensed Manufacturers and Distributors
From: Sara Gonso Tait, Executive Director
Subject: Sports-themed tip boards and pull tab games Waiver

The Indiana Gaming Commission ("Commission") conducted a review of Emergency Rule Section 13(q), which prohibits qualified organizations from conducting charitable gaming activities in which the winner of a prize is determined, in whole or in part, on a sporting event. In light of the U.S Supreme Court's 2018 ruling in *Murphy v. National Collegiate Athletic Association*, the Commission has determined that Emergency Rule Section 13(q) is impractical and burdensome and is thereby waived, effective immediately, subject to the below conditions.

Effective immediately, qualified organizations are allowed to conduct charitable gaming activities utilizing sports-themed tip boards or pull tabs games, subject to the following procedures and conditions:

1. The qualified organization must submit an annual or single activity license application or renewal form that indicates the organization wishes to sell pull tabs, punch boards and tip boards, and receive a license, or submit written notice to conduct an exempt event and receive acknowledgement by the commission, whichever applies.
2. Sports-themed tip boards and pull tab games are considered "licensed supply." Accordingly, qualified organizations shall only purchase sports-themed tip boards or pull tab games from a licensed distributor pursuant to IC 4-32.3-5-20.
3. The sports-themed tip board and any flare accompanying the board or game must be prominently posted while the board or pull tab game is in play.
4. The qualified organization shall prominently post house rules at the location where the sports-themed tip boards or pull tab games are conducted. House rules for sports-themed tip board and pull tab games must include the following information:
 - ✓ No sports-themed tip board square, chance, spot, ticket, or pull tab ticket may be sold after seals or other opaque material covering the scores or outcomes have been opened or compromised.

- ✓ All empty squares, chances, or spots remaining on a sports-themed tip board or pull tab game must be marked "VOID" immediately before opening the board's seals or other opaque material covering the scores or outcomes.
 - ✓ Sports-themed tip board or pull tab game prizes must be claimed within thirty (30) days after the last time frame of the sporting event.
 - ✓ Any other house rules as deemed appropriate by the qualified organization.
5. Sports-themed tip boards or pull tab games shall only be used with professional or NCAA Division I sporting events. Official game scores or results must be used to determine the winner. Use with high school or youth sports is prohibited.
 6. The maximum selling price for each square, chance, or spot on the grid or board may not exceed ten dollars (\$10). However, if the sports-themed tip board or pull tab game is conducted with tickets, pursuant to IC 4-32.3-5-16(c), the maximum selling price for one (1) ticket may not exceed one dollar (\$1).
 7. Before a sports-themed tip board or pull tab game is put into play, the name or description of the sporting event, date of the sporting event, and selling price for each square, chance, or spot on the grid or board must be printed legibly in permanent ink on the grid or board. Organizations may offer to sell multiple squares, chances, spots, or tickets at a discounted price (i.e., \$10 per square or \$25 for 3 squares).
 8. Except when a ticket is used to correspond to a square, chance, or spot, a player's name must be printed in permanent ink on the square, chance, or spot on a sports-themed tip board and be legible. Only one player per square, chance, or spot is allowed. However, organizations may put more than one sports-themed tip board or pull tab game into play for a particular sporting event.
 9. Winners must be determined based on the final score or outcome of the sporting event, or the score or outcome of the subdivisions of the sporting event as set by the official rules. For example, a winner may be determined based on the points scored during the first quarter of an NBA game.
 10. Players must purchase chances blindly, i.e., may not choose which particular score or outcome they are purchasing.
 11. Seals or other opaque material covering the scores or outcomes may not be opened or removed until all the grid chances or spots have been sold; any unsold squares, chances, or spots must be marked "VOID" in permanent ink before the seals or opaque material can be opened or removed.
 12. Grid squares, chances, or spots and pull tab tickets may not be sold after the conclusion of the sporting event or applicable subdivision of the sporting event.
 13. Winning squares, chances, or spots must be marked "paid" in permanent ink after the player claims their prize.
 14. The name of the game, serial number, gross income, cash or prize payout, and net income shall be recorded under Part 5, Tip Board / Punch Board Sales on the CG-ESR form. Gross income, prize/payouts, and licensed supply expenses from conducting sports-themed tip boards shall be reported as "Tip Boards" for purposes of the CG-SL FR (single activity license financial report), or the CG-AL FR (annual activity license financial report), whichever is applicable.

15. Ideal/recommended payout is 75%-85% of gross income.
16. Except as set forth above, sports-themed tip boards and pull tab games shall not be altered and must be played as manufactured.
17. Organizations should consult IRS and DOR guidelines concerning any applicable reporting and/or withholding requirements.

Additionally, effective immediately, licensed distributors are allowed to sell sports-themed tip boards or pull tab games based on sporting events to qualified organizations, subject to the following procedures and conditions:

1. Serial numbers must be printed on the board by the manufacturer, and all sales invoices must include serial numbers. Samples in the possession of qualified organizations that do not have a serial number may not be put into play and should be returned to the distributor as soon as practicable.
2. Only sports-themed tip boards or pull tab games with seals or other opaque material covering the scores or outcomes may be sold.
3. Gaming card excise tax must be imposed as required by IC 4-32.3-10 *et seq.*

If you have additional questions, you may contact Sara T. Martin, License Control Counsel, at 317-233-1997.