

**INDIANA GAMING COMMISSION
CHARITY GAMING DIVISION**

Revised July 2015

Allowable Expenses

Indiana Code 4-32.2-5-3(a) states that all net proceeds from an allowable event may be used only for the lawful purposes of the qualified organization. Below is a list of items for which charity gaming funds may be used. Expenses must be related to the purpose of the organization as outlined in the organization's constitution or by-laws. This list may not be all inclusive. **Other expenses not listed below are to be approved by the Commission.**

Indiana Code 4-32.2-5-5(b) and Indiana Administrative Code 68 21-4-1(a) requires a qualified organization to open and maintain a separate and segregated checking account to track all proceeds and expenditures from their allowable event (s). **Funds from this account cannot be transferred to any other accounts. You are required to pay all allowable expenses directly from the separate and segregated gaming checking account.**

Donations of money given to an individual or organization must be by check written directly from the organization's charity gaming account. Items (clothing, food, house wares) donated to an individual or organization must be purchased by check or debit card made directly from the charity gaming account. You must retain receipts to verify the expense and maintain records of whom the item(s) was donated. If you are reimbursing an individual, a receipt must be obtained from that individual and payment must be issued by check from the charity gaming account.

The following are expenses allowed to be paid out of the charity gaming account:

- Donations of money or items issued to organizations or individuals
- Mortgage/Rent Payments
- Property Tax
- Insurance on building where organization is located and/or where the organization conducts gaming
(This does not include any insurance specific to the bar or restaurant portion of the organization. Those policies shall be billed separately; the bar and restaurant shall be self supporting).
- Utilities – Electric, Water, Gas, Telephone, Internet, **does not** include cable television
- Maintenance – Inside and outside – including, but not limited to expenses such as snow and trash removal, lawn care, etc...
- Remodeling/Improvements (this **does not** include improvements specific to the Bar, Kitchen or Restaurant areas)
- Security systems and monitoring. An organization may employ not more than three (3) nonmember Indiana law enforcement officers or private detectives properly licensed in Indiana to perform security services during an allowable event. An organization may not use more than three (3) security personnel unless the organization has prior written approval of the executive director or the executive director's designee.
- Contracts for janitorial services, but not janitor salaries
- Monthly Tax Return for Wagers, Federal Form 730
- Occupational Tax and Registration Return for Wagering, Federal Form 11-C
- Attorneys retained for the organization's creation or for charity gaming related issues

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- Charity Gaming Prizes - including alcohol, beer, wine to be awarded at a charity gaming event (The purchases of the alcohol prizes must be billed on a separate invoice that is equal to the alcohol given as prizes. Alcohol purchased for the Bar and Restaurant of an organization must be billed separately and may not be used for charity gaming prizes).
- CPA's/Accountants – Specific to charity gaming related issues
- Charity gaming equipment, supplies and devices
- Charity Gaming license fees
- Charity gaming specific printing, such as newspaper postings, advertisements or flyers
- Purchase a computer system and cover any required maintenance. The primary use of the computer (hard drive, keyboard, monitor, and printer) shall be for charity gaming. For example, access the charity gaming website to view updates, obtain forms, maintain records, complete ESR's and communicate with the Commission.
- Travel and lodging to and from charity gaming educational seminars
- Travel and lodging by specific members, if required by the organization's constitution or bylaws to attend such meetings

Expenses Not Allowed

- Employee wages/salaries/benefits/insurance
- Taxes – employee federal, state or county withholding taxes, sales tax, etc
- Alcoholic Beverage Taxes or Fees
- Purchases of alcohol, beer, or wine for any purpose other than to be awarded as a prize in a licensed charity gaming event.