

CHAPTER 7863
GAMBLING CONTROL BOARD
DISTRIBUTORS

7863 0020 DISTRIBUTOR OPERATIONS,
ACCOUNTS, AND REPORTS

7863.0020 DISTRIBUTOR OPERATIONS, ACCOUNTS, AND REPORTS.

[For text of subpart 1, see M.R.]

Subp. 2. Sale of gambling equipment. The following items apply to sales of gambling equipment:

A. Sales to organizations:

[For text of subitems (1) to (3), see M.R.]

(4) Effective December 1, 1996, no distributor may sell or otherwise provide a partial series of bingo paper sheets or bingo paper sheet packets to a licensed organization; however, a partial series of bingo paper sheets or bingo paper sheet packets may be sold to an exempt or excluded organization.

B. The following items apply to a lease or sale of pull-tab dispensing devices by distributors to lawful gambling organizations.

[For text of subitem (1), see M.R.]

(2) The minimum monthly lease cost of the pull-tab dispensing device shall be five percent of the purchase price of the pull-tab dispensing device that is reported on the distributor's monthly pricing report required by subpart 4, item C

[For text of subitems (3) to (5), see M.R.]

[For text of items C to G, see M.R.]

Subp. 3. Registration of gambling equipment. The following items apply to the registration of gambling equipment:

[For text of item A, see M.R.]

B. Permanent gambling equipment.

[For text of subitems (1) to (3), see M.R.]

[For text of subps 3a and 3b, see M.R.]

Subp. 4. Records and reports required. The following items apply to records and reports of distributors:

A. Sales invoice.

[For text of subitems (1) to (4), see M.R.]

(5) For bingo paper sheets, bingo paper sheet packets, bingo hard cards, and breakopen bingo paper sheets, the following information must appear on the sales invoice:

(a) the serial number and color of each set of breakopen bingo paper sheets sold to an organization, whether each set is an original or trade-in set, and the price for which the breakopen bingo paper sheet must be sold by the conducting organization;

(b) for bingo sheets and bingo paper sheet packets the serial number from the top sheet in each packet or the serial number per series for uncollated paper, the color, cut, and the quantity or series; and

(c) for bingo hard cards the price per face.

Effective December 1, 1996, unit (b) shall no longer apply.

(6) Effective December 1, 1996, for bingo paper sheets and sets of bingo paper sheet packets, the following information must appear on the sales invoice:

(a) for each set of bingo paper sheet packets:

i. the color of each sheet in the packet in the order of collation;

ii. the number of sheets per packet (UP's);

iii. the number of faces per sheet (ON's);

iv. the series;

v. the price for which the bingo paper sheet packet must be sold by the organization; and

vi. the serial number from each sheet in the packet if the serial numbers are not uniform throughout the packet, or the serial number from the top sheet in each packet if the serial numbers are uniform throughout the packet. The serial numbers may be recorded on a separate document which is attached to the invoice, provided that the invoice clearly states that the serial number listing is attached as a separate document; or

vii. the serial number from the top sheet in each packet. The serial numbers may be recorded on a separate document which is attached to the invoice, provided that the invoice clearly states that the serial number listing is attached as a separate document. The invoice must clearly indicate that only the serial number from the top sheet in the packet is being provided; and

(b) for bingo paper sheets (case paper);

i. the color;

ii. the number of sheets per case;

iii. the number of faces per sheet (ON's);

iv. the series;

v. the price for which the bingo paper sheets must be sold by the organization; and

vi. the serial number from the top sheet in the case.

(7) For permanent gambling equipment, such as bingo ball selection devices, paddlewheels, paddlewheel tables, and pull-tab dispensing devices, the following information must appear on the sales invoice.

[For text of units (a) and (b), see M.R.]

(8) Each distributor who sells, leases, or otherwise provides gambling equipment must electronically report the sales made each month to the commissioner of revenue. The report is due by the 20th of the month following the month in which the sale was completed.

(9) Effective June 1, 1997, licensed distributors shall submit to the Department of Revenue an itemized inventory of all bingo paper sheets (case paper) and bingo paper sheet packets in inventory on hand on November 30, 1996.

B. A registration stamp number log in which the state disposable registration stamp numbers and the manufacturer's game serial numbers are recorded must be maintained by the distributor until February 1, 1996, on a standard form prescribed by the board, retained by the distributor for 3-1/2 years thereafter, and furnished to the board upon demand. After February 1, 1996, this item pertains only to permanent gambling equipment stamped by the distributor.

C. Monthly pricing reports.

(1) A licensed distributor must submit a monthly pricing report to the board in a format approved by the board and at a minimum must include.

[For text of units (a) to (d), see M.R.]

(e) for bingo paper sheets, bingo paper sheet packets, and breakopen bingo paper sheets the price per thousand faces, whether the bingo paper sheets are collated or uncollated, whether the equipment is subject to rebate, and volume discounted price, exclusive of transportation costs;

[For text of units (f) to (k), see M.R.]

[For text of subitems (2) and (3), see M.R.]

[For text of item D, see M.R.]

E. Returned gambling equipment report.

(1) A distributor who accepts returns from licensed, exempt, or excluded organizations of gambling equipment not manufactured in compliance with the standards in part 7864.0030, subpart 1, shall file a monthly report with the board. The report must be in a format approved by the board, and include the following information:

[For text of units (a) to (c), see M.R.]

(d) for bingo hard cards, bingo paper sheets, bingo paper sheet packets, and broken bingo paper sheets, the number of cases, the serial number and series number, the standards in part 7864.0030, subpart 1, which were not met, the manufacturer's name, and the name and license number or exempt number of the organization returning the equipment;

[For text of units (e) and (f), see M.R.]

[For text of subitem (2), see M.R.]

F. Report of delinquent organization required:

(1) A distributor shall notify the board in writing if a licensed, exempt, or excluded organization has not paid the distributor within 35 days of shipment of gambling equipment for the gambling equipment, or for tax obligations. The notification shall include:

[For text of units (a) to (d), see M.R.]

[For text of subitems (2) to (4), see M.R.]

[For text of items G to I, see M.R.]

Statutory Authority: *MS s 349.151*

History: *20 SR 2624*