SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION

S.F. No. 2751

(SENATE AUTHORS: ANDERSON, B.)

DATE	D-PG	OFFICIAL STATUS
04/01/2019	1519	Introduction and first reading Referred to Taxes

A bill for an act

relating to lawful gambling; modifying audit requirements for organizations; amending Minnesota Statutes 2018, section 297E.06, subdivision 4.

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

Section 1. Minnesota Statutes 2018, section 297E.06, subdivision 4, is amended to read:

Subd. 4. **Annual audit, certified inventory, and cash count.** (a) An organization licensed under chapter 349 with gross receipts from lawful gambling of more than ~~$750,000~~ $1,500,000 in any year must have an annual financial audit of its lawful gambling activities and funds for that year.

(b) The commissioner may require a financial audit of the lawful gambling activities and funds of an organization licensed under chapter 349, with gross receipts less than ~~$750,000~~ $1,500,000 annually, when an organization has:

(1) failed to timely file required gambling tax returns;

(2) failed to timely pay the gambling tax or regulatory fee;

(3) filed fraudulent gambling tax returns;

(4) failed to take corrective actions required by the commissioner; or

(5) failed to otherwise comply with this chapter.

(c) Audits under this subdivision must be performed by an independent accountant licensed in accordance with chapter 326A.

(d) An organization licensed under chapter 349 must perform an annual certified inventory and cash count at the end of its fiscal year and submit the report to the commissioner within

30 days after the end of its fiscal year. The report shall be on a form prescribed by the commissioner.

(e) The commissioner of revenue shall prescribe standards for the audits, certified inventory, and cash count reports required under this subdivision. The standards may vary based on the gross receipts of the organization. The standards must incorporate and be consistent with standards prescribed by the American Institute of Certified Public Accountants. A complete, true, and correct copy of ~~the audits,~~ any required audit, and the annual certified inventory, and cash count report must be filed as prescribed by the commissioner.

EFFECTIVE DATE. This section is effective July 1, 2019.