

7861.0285 ELECTRONIC PULL-TABS.

Subpart 1. **Operation of electronic pull-tab games.** In addition to the restrictions and requirements in part 7861.0260, the following apply to the conduct of electronic pull-tabs.

A. While an electronic pull-tab game is in play, an organization's employee, agent, or volunteer may not provide any information on the game's actual gross receipts, prizes paid, net receipts, or value of unsold tickets to anyone other than the person or persons with authority to remove the game from play or to complete reports required by the Department of Revenue.

B. Once an electronic deal of pull-tabs is made available for play, the deal may not be manually paused or taken out of play for any reason and then reinstated for play. If the deal is manually paused or taken out of play, the game must be permanently closed from play.

C. All credits maintained on the electronic pull-tab device when removed from play may be redeemed by the player or used for play upon reactivation.

D. When a deal of electronic pull-tabs is put into play, all of the pull-tabs must be randomly dispensed.

E. An organization may not put into play any electronic pull-tab game that has been altered or tampered with, or operate an electronic pull-tab game in a manner that tends to deceive the public or affects the chances of winning or losing.

F. An organization may not commingle more than two electronic pull-tab games.

G. A single cash bank is allowed for all electronic pull-tab deals in play for each site. Game deposits and reconciliation will be based on total daily activity from all electronic pull-tab games in play.

H. Each electronic pull-tab must be sold for the price on the flare. An electronic pull-tab may not be given to a player free of charge or for any other consideration.

I. The value of winning electronic pull-tabs must be credited to the electronic device and allow for the continuation of play or redemption by the player at any time. A prize payout must not be made to any player for a lost or an altered electronic pull-tab device or an electronic pull-tab device that left the permitted premises where the deal is in play.

J. The pull-tab seller must record all payments to the player in the point of sale system.

K. An electronic game occasion must end any time that the sale and redemption of credits switches from a booth operation to a bar operation or from a bar operation to a booth operation.

L. Any unclaimed credits left in the electronic pull-tab device will be retained by the organization and reported as other income.

M. At the end of each month, an organization must report in a format prescribed by the commissioner of revenue the value of total sales, prizes paid, and net receipts from electronic pull-tab activity during the month.

Subp. 2. **Operation of multiple seal electronic pull-tab game.** In addition to the requirements of subpart 1, when a ticket with one or more seal (bonus win) indicators is presented to a player, the player must open or uncover the seal or seals in the manner designated on the ticket to reveal the prize.

Subp. 3. **Operation of progressive electronic pull-tab game.** In addition to the requirements of subpart 1, the following items pertain to the conduct of a progressive electronic pull-tab game:

A. A progressive electronic pull-tab game may only be played with deals having the same form number from the same family and manufacturer.

B. Each deal in a progressive electronic pull-tab game must contribute the same amount towards the progressive jackpot. When the progressive jackpot reaches the jackpot amount listed on the flare, no additional contribution may be made to the progressive jackpot.

C. The player with a pull-tab ticket that allows the player to be a potential jackpot winner must select a progressive jackpot window or windows to be opened or uncovered.

D. If there is no seal prize winner or the progressive jackpot is not won, the next deal may be put in play or the progressive electronic pull-tab game may be closed.

E. When the progressive jackpot is won, the organization must:

(1) have the winner complete and sign a progressive electronic pull-tab jackpot prize receipt;

(2) pay the winner by check within four business days of receipt of the signed prize receipt. The organization may pay the winner immediately with cash if the jackpot prize is less than \$600;

(3) furnish the winner with appropriate federal and state tax forms;

(4) collect completed federal and state tax forms from the winner; and

(5) process payment after withholding taxes.

Subp. 4. **Commingled deals in an electronic pull-tab device.** An organization may commingle up to two single deals of pull-tabs in an electronic pull-tab device if:

A. the deals are identical in the type of game, ticket, price, color, form number, prize structure, and quantity of pull-tabs per deal;

B. all tickets from both deals in play are combined and randomly distributed when deals are commingled;

C. each deal has a separate flare displaying the serial number or all serial numbers when deals are commingled; and

D. there is notice on each device indicating that the game is a commingled game.

Subp. 5. **Electronic pull-tab records and reports.**

A. For each deal of electronic pull-tabs, the organization must keep the game summary report identifying the serial number of the game, tickets sold, prizes redeemed, net receipts, and dates the game was in play. The organization must keep game summary records for 3-1/2 years following the month in which the game was removed from play.

B. For electronic pull-tabs, the organization must complete a monthly report identifying the total sales, prizes paid, and net receipts in a format prescribed by the commissioner of revenue, as required by Minnesota Statutes, section 297E.06.

C. The organization must keep records and reports relating to electronic pull-tab games for 3-1/2 years following the end of the month in which the electronic game occasion was conducted and reported on the tax return.

D. The organization may maintain or convert and store records and reports in an electronic format. The organization must make records and reports available in paper format to the board, the commissioner of revenue, the commissioner of public safety, or their agents upon request.

Subp. 6. **Disposal of electronic pull-tab games and records.** An organization must keep electronic pull-tab game records and reports after the retention period in subpart 5 expires if the organization is notified by the board, the commissioner of revenue, the commissioner of public safety, or their agents that an audit, compliance review, or investigation is being conducted.

Statutory Authority: *MS s 349.151*

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