



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

HB5887

Introduced 2/16/2012, by Rep. Renée Kosel

#### SYNOPSIS AS INTRODUCED:

230 ILCS 20/3.1  
230 ILCS 20/3.2  
230 ILCS 20/5

from Ch. 120, par. 1055

Amends the Illinois Pull Tabs and Jar Games Act. Specifies that a jar game ticket shall contain the name of the game, the selling price of the ticket, the amount of the prize and the serial number of the ticket. Provides that, for pull tab or jar game tickets manufactured after January 1, 2013, the 5% tax required under the Act must be remitted by the manufacturer of the pull tab or jar game ticket based on the selling price of the ticket. Provides that the Department of Revenue shall adopt any rules necessary for the enforcement of the provisions. Effective immediately.

LRB097 18886 AMC 66030 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning gaming.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Pull Tabs and Jar Games Act is  
5 amended by changing Sections 3.1, 3.2, and 5 as follows:

6 (230 ILCS 20/3.1)

7 Sec. 3.1. Suppliers' license. The Department shall issue a  
8 suppliers' license permitting a person, firm or corporation to  
9 sell or distribute to any organization licensed to conduct pull  
10 tabs and jar games supplies, devices or other equipment  
11 designed for use in the playing of pull tabs and jar games. No  
12 person, firm or corporation shall sell or distribute pull tabs  
13 and jar games supplies without having first obtained a license.  
14 Licensed suppliers shall buy pull tabs and jar games only from  
15 licensed manufacturers and shall sell pull tabs and jar games  
16 only to licensed organizations. Licensed organizations shall  
17 buy pull tabs and jar games only from licensed suppliers.  
18 Applications for suppliers' licenses shall be made in writing  
19 in accordance with Department rules. The Department shall  
20 license suppliers of pull tabs and jar games subject to a  
21 nonrefundable annual fee of \$5,000, or a nonrefundable  
22 triennial supplier's fee of \$15,000. Each suppliers' license is  
23 valid for one year from date of issuance, or 3 years from date

1 of issuance for a triennial license, unless extended,  
2 suspended, or revoked by Department action before that date.  
3 Any extension of a suppliers' license shall not exceed one  
4 year. No licensed supplier under this Act shall sell,  
5 distribute or allow the use of any supplies, devices or  
6 equipment designed for use in the play of pull tabs and jar  
7 games for the conducting of anything other than pull tabs and  
8 jar games or to any person or organization not otherwise  
9 licensed under this Act.

10 The Department shall adopt by rule minimum quality  
11 production standards for pull tabs and jar games. In  
12 determining those standards, the Department shall consider the  
13 standards adopted by the National Association of Gambling  
14 Regulatory Agencies and the National Association of  
15 Fundraising Ticket Manufacturers. The standards shall include  
16 the name of the supplier which shall appear in plain view to  
17 the casual observer on the face side of each pull tab ticket  
18 and on each jar game ticket. The pull tab or jar game ticket  
19 shall contain the name of the game, the selling price of the  
20 ticket, the amount of the prize and the serial number of the  
21 ticket. The back side of a pull tab ticket shall contain a  
22 series of perforated tabs marked "open here". The logo of the  
23 manufacturer shall be clearly visible on each jar game ticket.

24 (Source: P.A. 95-228, eff. 8-16-07.)

1           Sec. 3.2. Manufacturers' license. The Department shall  
2 issue a manufacturers' license permitting a person, firm or  
3 corporation that produces, creates, constructs, assembles or  
4 otherwise manufactures pull tab and jar games to sell or  
5 distribute to any organization licensed to supply pull tabs and  
6 jar games. No person, firm or corporation shall produce,  
7 create, construct, assemble or otherwise manufacture pull tab  
8 and jar games without having first obtained a license. Licensed  
9 manufacturers may sell pull tabs and jar games only to licensed  
10 suppliers. Applications for manufacturers' licenses shall be  
11 made in writing in accordance with Department rules. The  
12 Department of Revenue shall license manufacturers of pull tabs  
13 and jar games subject to a nonrefundable annual fee of \$5,000,  
14 or a triennial supplier's license fee of \$15,000. Each  
15 manufacturers' license is valid for one year from date of  
16 issuance, or 3 years from date of issuance for a triennial  
17 license, unless extended, suspended, or revoked by Department  
18 action before that date. Any extension of a manufacturers'  
19 license shall not exceed one year.

20           The Department shall adopt by rule minimum quality  
21 production standards for pull tabs and jar games. In  
22 determining those standards, the Department shall consider the  
23 standards adopted by the National Association of Gambling  
24 Regulatory Agencies and the National Association of  
25 Fundraising Ticket Manufacturers. The standards shall include  
26 the name of the supplier which shall appear in plain view to

1 the casual observer on the face side of each pull tab ticket  
2 and on each jar game ticket. The pull tab or jar game ticket  
3 shall contain the name of the game, the selling price of the  
4 ticket, the amount of the prize and the serial number of the  
5 ticket. The back side of a pull tab ticket shall contain a  
6 series of perforated tabs marked "open here". The logo of the  
7 manufacturer shall be clearly visible on each jar game ticket.

8 (Source: P.A. 95-228, eff. 8-16-07.)

9 (230 ILCS 20/5) (from Ch. 120, par. 1055)

10 Sec. 5. There shall be paid to the Department of Revenue 5%  
11 of the gross proceeds of any pull tabs and jar games conducted  
12 under this Act. For pull tab or jar game tickets manufactured  
13 after January 1, 2013, the 5% tax required under this Section  
14 must be remitted by the manufacturer of the pull tab or jar  
15 game ticket based on the selling price of the ticket. Such  
16 payments shall be made 4 times per year, between the first and  
17 the 20th day of April, July, October and January. Accompanying  
18 each payment shall be a return, on forms prescribed by the  
19 Department of Revenue. Failure to submit either the payment or  
20 the return within the specified time shall result in suspension  
21 or revocation of the license. Tax returns filed pursuant to  
22 this Act shall not be confidential and shall be available for  
23 public inspection. All payments made to the Department of  
24 Revenue under this Act shall be deposited as follows:

25 (a) 50% shall be deposited in the Common School Fund;

1 and

2 (b) 50% shall be deposited in the Illinois Gaming Law  
3 Enforcement Fund. Of the monies deposited in the Illinois  
4 Gaming Law Enforcement Fund under this Section, the General  
5 Assembly shall appropriate two-thirds to the Department of  
6 Revenue, Department of State Police and the Office of the  
7 Attorney General for State law enforcement purposes, and  
8 one-third shall be appropriated to the Department of  
9 Revenue for the purpose of distribution in the form of  
10 grants to counties or municipalities for law enforcement  
11 purposes. The amounts of grants to counties or  
12 municipalities shall bear the same ratio as the number of  
13 licenses issued in counties or municipalities bears to the  
14 total number of licenses issued in the State. In computing  
15 the number of licenses issued in a county, licenses issued  
16 for locations within a municipality's boundaries shall be  
17 excluded.

18 The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
19 5g, 5h, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the  
20 Retailers' Occupation Tax Act, and Section 3-7 of the Uniform  
21 Penalty and Interest Act, which are not inconsistent with this  
22 Act shall apply, as far as practicable, to the subject matter  
23 of this Act to the same extent as if such provisions were  
24 included in this Act. For the purposes of this Act, references  
25 in such incorporated Sections of the Retailers' Occupation Tax  
26 Act to retailers, sellers or persons engaged in the business of

1 selling tangible personal property means persons engaged in  
2 conducting pull tabs and jar games and references in such  
3 incorporated Sections of the Retailers' Occupation Tax Act to  
4 sales of tangible personal property mean the conducting of pull  
5 tabs and jar games and the making of charges for participating  
6 in such drawings.

7 The Department of Revenue shall adopt any rules necessary  
8 for the enforcement of the changes made to this Section by this  
9 amendatory Act of the 97th General Assembly.

10 (Source: P.A. 95-228, eff. 8-16-07.)

11 Section 99. Effective date. This Act takes effect upon  
12 becoming law.