

Texas Lottery Commission

Commissioners:

J. Winston Krause, Chairman

Cindy Fields • Mark A. Franz • Robert Rivera • Erik C. Saenz



Tom Hanson Acting Director

April 23, 2020

Special Message: Charitable Bingo Operations Division

To: Counties and Municipalities Receiving A Portion of Prize Fees

The purpose of this message is to keep your county or municipality abreast of the Texas Lottery Commission's (Commission) efforts to address the impact the novel coronavirus (COVID-19) disaster has placed upon the charitable bingo industry in Texas. Accordingly, the Commission and bingo industry leaders have worked together to identify issues resulting from the COVID-19 disaster and to find solutions for regulatory relief. In that spirit, the Commission identified a provision in its administrative rules we hope will help licensed authorized organizations conducting bingo, commercial lessors, manufacturers and distributors in Texas to stay in compliance during these unique challenging times. This provision in the Commission's administrative rule allows the Commission to extend the deadline to file quarterly reports and for licensed authorized organizations to pay the state's portion of bingo prize fees.

We want to alert you that an extension granted under this administrative rule will only assist licensees with respect to paying the state's portion of prize fees, and would not modify the obligation of licensed authorized organizations to pay the local share of bingo prize fees owed to counties and municipalities by your county or municipality deadline:

Below is the notice that has been provided to bingo licensees.

Quarterly Reports for the first quarter of 2020:

In order to timely file, quarterly reports must be postmarked by Monday, April 27th, 2020 or submitted electronically. The Commission's administrative rules do provide that an organization may file for an extension "because of natural disaster" of up to 90 days by filing a request to the bingo division within 5 days of the original due date. See below.

Note: The Governor's disaster declaration of March 13, 2020^1 and the subsequent extension on April 12, 2020^2 may be used to justify the request for an extension. The deadline to file for an extension is May 5, 2020.

Here is the Rule for reference:

Texas Administrative Code, Title 16, Part 9, Chapter 402, Rule 402.600.

(l) Extensions.

¹ https://gov.texas.gov/news/post/governor-abbott-declares-state-of-disaster-in-texas-due-to-covid-19

² https://gov.texas.gov/news/post/governor-abbott-extends-disaster-declaration-for-covid-192#

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- (1) Filing extension because of natural disaster.
- (A) The Director will grant to a licensee who has been identified as a victim of a natural disaster an extension of not more than 90 days to file a quarterly report and supplements or pay prize fees provided the licensee has filed a timely request for an extension. In determining the natural disaster
- victims, the Commission shall recognize the counties that have been identified by the Office of the Governor or the Comptroller of Public Accounts.
- (B) The person owing the quarterly report, supplements, or prize fees must file a written request for an extension at any time before the expiration of five working days after the original due date in order to obtain an extension.
- (C) If an extension under this paragraph is granted, interest on the unpaid prize fee does not begin to accrue until the day after the day on which the extension expires, and prize fees and penalties are assessed and determined as though the last day of the extension were the original due date.

A 90-day extension would move the new filing deadline to July 27, 2020.

Again, the purpose of this message is only to inform your county or municipality of one way the Commission is working with the bingo industry to find solutions during this challenging time.

Please contact the Charitable Bingo Division at 800-246-4677 if you have any questions,

Tom Hanson Acting Director

Charitable Bingo Operations Division

Thomas Hason