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# TEXAS LOTTERY COMMISSION

Anthony J. Sadberry, *Executive Director*

Philip D. Sanderson, *Charitable Bingo Operations Director*

**CERTIFIED MAIL NO. 7000 0520 0025 5830 8735**  
**RETURN RECEIPT REQUESTED**

BAO # 2008-0829-0011

October 30, 2008

Patricia Greenfield  
Greenfield Bingo Services  
P.O. Box 2065  
Weatherford, TX 76086

Re: Bingo Advisory Opinion Request # 2008-0829-0011

Dear Ms. Greenfield:

This advisory opinion responds to your request received on August 29, 2008. Specifically, you requested:

I was under the impression a bingo occasion begins with the starting time on the bingo license, not when the front doors are opened to the public. Some halls open their doors 2 or more hours before the time on the bingo license to try to earn money from their snack bar or gift shop. Those halls officially start their bingo occasion when they open their bingo sales counters at the starting time on their license. If they open their premises to the public 2 or more hours before the beginning license time and allow people into the building and then conduct bingo according to their bingo license times for four more hours, are they now over the 4 hour limit for a bingo occasion?

Could you please clarify when a bingo occasion officially begins?

## ANSWER:

Tex. Occ. Code §2001.419(a) provides that "[a] bingo occasion begins when the premises are opened to the public." The statute provides a definition of "premises." Tex. Occ. Code §2001.002(22) states

[p]remises" means the area subject to the direct control of and actual use by a licensed authorized organization or group of licensed authorized organizations to conduct bingo. The term includes a location or place.

Thus, there are three conditions that must exist for a bingo occasion to officially begin. Premises must be:

1. open to the public,
2. subject to the direct control of a licensed authorized organization(s), and
3. Actually used to conduct bingo.

The statute defines “premises” as an “area . . . to conduct bingo.” One definition of “area” is “any section reserved for a specific function.” Thus, an “area” for conducting bingo may or may not be an entire building or room. An organization would not necessarily use a snack bar to conduct bingo. If not, the snack bar would not be considered part of the “premises” to conduct bingo.

In its definition of “bingo occasion,” the Bingo Enabling Act gives additional guidance for determining when a bingo occasion begins and ends. Tex. Occ. Code §2001.002(6) provides

“Bingo occasion” means all activities incident to the conduct of a series of bingo games by a licensed authorized organization, including the organization’s licensed times and any preparatory or concluding activities incident to the conduct of bingo.

Selling of bingo cards, electronic card-minding devices, or pull-tabs is a preparatory activity incident to the conduct of bingo and is therefore part of the bingo occasion. Furthermore, because it is a necessary, readily observable activity, the Charitable Bingo Operations Divisions identifies the sale of bingo cards, electronic card-minding devices, or pull-tabs as marking the beginning of a bingo occasion. The beginning of the occasion may or may not be identical to the starting time on the license to conduct bingo.

Tex. Occ. Code §2001.419(b) further provides that “[a] bingo occasion . . . [may] not . . . exceed more than four hours during a 24-hour period. If an organization opens its premises before the beginning license time and then conducts bingo for four more hours, whether it would exceed the four hour time limit would depend on when it began selling paper and when the last game ended. In accordance with Bingo Administrative Rule 16 TAC §402.200(e) adopted on October 19, 2008, a bingo occasion ends when the winner of the last game is determined and paid.

Tex. Occ. Code §2001.419(e) states “If two licensed authorized organizations are authorized to conduct bingo at the same premises on the same day, the bingo occasion of one organization may overlap with the bingo occasion of the other organization...” If the sales of bingo cards, electronic card-minding devices, or pull-tabs for both licensed authorized organizations begin at the same time, then the beginning of a bingo occasion for both licensed authorized organizations is the same time and may not exceed four hours.



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## SUMMARY

A bingo occasion begins when a licensed authorized organization opens an area used to conduct bingo to the public and begins sale of bingo paper or equipment. A bingo occasion ends when the winner of the last game is determined and paid. The time between the opening of an area to conduct bingo and the time the winner of the last game is determined and paid may not exceed four hours. When a licensed authorized organization conducts two occasions during a 24-hour period, or two licensed authorized organizations conduct an occasion on the same premises during a 24-hour period, the occasions begin with the licensed authorized organization's first sale of bingo cards, electronic card-minding devices, or pull-tabs and may not exceed four hours from that point.

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This advisory opinion cannot be construed as a tax ruling or otherwise interpretive of the Internal Revenue Code. The information provided is completely limited to the context of the Bingo Enabling Act and the Charitable Bingo Administrative Rules.

This advisory opinion is based on the laws, rules and regulations in effect at the time of its issuance. All of the information provided herein is subject to change in law.

This opinion is purely advisory in nature and is limited to the particular questions at issue and to the facts presented in the request. Therefore, this opinion must not be relied upon as a previous determination regarding any conduct which is not substantially consistent with the opinions and facts stated in the request.

Yours truly,



Philip D. Sanderson, Director  
Charitable Bingo Operations Division

cc: James A. Cox, Jr., Chairman  
David J. Schenck, Commissioner  
Mary Ann Williamson, Commissioner  
Anthony J. Sadberry, Executive Director  
Kimberly L. Kiplin, General Counsel