

## SENATE BILL No. 179

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-32.2-1-1; IC 4-38; IC 6-8.1-1-1; IC 35-45-5-14; IC 35-52-4.

**Synopsis:** Video gaming terminals. Authorizes wagering on video gaming terminals in certain establishments. Establishes a licensing structure for participants in video gaming. Imposes a video gaming wagering tax of 30% of adjusted gross receipts.

**Effective:** July 1, 2016.

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## Messmer

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January 6, 2016, read first time and referred to Committee on Rules & Legislative Procedure.

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Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

# SENATE BILL No. 179

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-32.2-1-1, AS AMENDED BY P.L.186-2015,  
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2016]: Sec. 1. (a) This article applies only to a qualified  
4 organization.  
5 (b) This article applies only to the following approved gambling  
6 events conducted as fundraising activities by qualified organizations:  
7 (1) Bingo events, charity game nights, door prize events, raffle  
8 events, festivals, and other gaming events approved by the  
9 commission.  
10 (2) The sale of pull tabs, punchboards, and tip boards:  
11 (A) at bingo events, charity game nights, door prize events,  
12 raffle events, and festivals conducted by qualified  
13 organizations; or  
14 (B) at any time on the premises owned or leased by a qualified  
15 organization and regularly used for the activities of the  
16 qualified organization.  
17 This article does not apply to any other sale of pull tabs,



- 1 punchboards, and tip boards.  
 2 (c) This article does not apply to a promotion offer subject to  
 3 IC 24-8.  
 4 (d) This article does not apply to the following:  
 5 (1) A type II gambling game authorized by IC 4-36.  
 6 (2) A raffle or other gambling game authorized by IC 4-36-5-1(b).  
 7 **(3) Video gaming authorized by IC 4-38.**  
 8 (e) This article does not apply to a prize linked savings program  
 9 that:  
 10 (1) is offered or conducted by an eligible financial institution  
 11 under IC 28-1-23.2;  
 12 (2) is:  
 13 (A) offered or conducted by a credit union organized or  
 14 reorganized under United States law; and  
 15 (B) conducted in the same manner as a prize linked savings  
 16 program under IC 28-1-23.2; or  
 17 (3) is:  
 18 (A) offered or conducted by an insured depository institution  
 19 (as defined in 12 U.S.C. 1813) that is:  
 20 (i) a national bank formed under 12 U.S.C. 21;  
 21 (ii) a state member bank (as defined in 12 U.S.C. 1813);  
 22 (iii) a state nonmember bank (as defined in 12 U.S.C. 1813);  
 23 or  
 24 (iv) a savings association (as defined in 12 U.S.C. 1813);  
 25 and  
 26 (B) conducted in the same manner as a prize linked savings  
 27 program under IC 28-1-23.2.

28 SECTION 2. IC 4-38 IS ADDED TO THE INDIANA CODE AS A  
 29 NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 30 2016]:

31 **ARTICLE 38. VIDEO GAMING IN ESTABLISHMENTS**

32 **Chapter 1. General Provisions**

33 **Sec. 1. This article applies only to wagering on video gaming**  
 34 **terminals located in licensed establishments under a video gaming**  
 35 **terminal installation contract described in IC 4-38-8.**

36 **Sec. 2. All shipments of video gaming terminals to a**  
 37 **manufacturer, distributor, supplier, operator, or establishment in**  
 38 **Indiana, the registering, recording, and labeling of which have**  
 39 **been completed by the manufacturer or dealer in accordance with**  
 40 **15 U.S.C. 1171 through 15 U.S.C. 1178, are legal shipments of**  
 41 **gambling devices into Indiana.**

42 **Sec. 3. Under 15 U.S.C. 1172, approved January 2, 1951, the**



1 state of Indiana, acting by and through elected and qualified  
 2 members of the general assembly, declares that the state is exempt  
 3 from 15 U.S.C. 1172.

4 Sec. 4. (a) This section does not apply to real or personal  
 5 property taxes imposed by a local taxing unit.

6 (b) Local governmental authority concerning all matters  
 7 relating to video gaming conducted under this article is preempted  
 8 by the state.

9 (c) No tax or fee, except as provided in this article, shall be  
 10 assessed or collected from a licensee by a political subdivision  
 11 having the power to assess or collect a tax or fee. This section does  
 12 not prohibit the assessment and levying of property taxes otherwise  
 13 authorized by law or the imposing of a special assessment  
 14 (including a ditch or drainage assessment, Barrett Law assessment,  
 15 improvement assessment, sewer assessment, or sewage assessment)  
 16 otherwise authorized by law to be imposed on property to be  
 17 benefited by an improvement.

18 (d) A political subdivision may not enter into an agreement with  
 19 a licensee that requires any financial commitments from the  
 20 licensee that are in addition to the fees and taxes imposed under  
 21 this article.

22 (e) An ordinance prohibiting video gaming in existence on June  
 23 30, 2016, is preempted by this article. However, the legislative body  
 24 of:

- 25 (1) a city or town may pass an ordinance to prohibit video
- 26 gaming within the corporate limits of the city or town; or
- 27 (2) a county may pass an ordinance to prohibit video gaming
- 28 in the unincorporated area of the county;

29 after June 30, 2016.

30 Sec. 5. This article will maintain the public's confidence and  
 31 trust through:

- 32 (1) comprehensive law enforcement supervision; and
- 33 (2) the strict regulation of facilities, persons, associations, and
- 34 video gaming at establishments.

35 **Chapter 2. Definitions**

36 Sec. 1. The definitions in this chapter apply throughout this  
 37 article.

38 Sec. 2. "Adjusted gross receipts" means the difference between:

- 39 (1) a person's gross receipts; minus
- 40 (2) prizes paid out to patrons by the person.

41 Sec. 3. "Charitable organization establishment" means the  
 42 premises on which an organization or institution that is:



- 1 (1) organized and conducted on a nonprofit basis; and  
 2 (2) exempt from federal income taxation under Section 501(c)  
 3 of the Internal Revenue Code;  
 4 regularly meets.
- 5 Sec. 4. "Commission" refers to the Indiana gaming commission  
 6 established by IC 4-33-3-1.
- 7 Sec. 5. "Convenience store" refers to a store or food mart that  
 8 is primarily engaged in:  
 9 (1) the retail sale of a line of goods that may include milk,  
 10 bread, soda, and snacks; or  
 11 (2) the retail sale of automotive fuels and the retail sale of a  
 12 line of goods that may include milk, bread, soda, and snacks.
- 13 Sec. 6. "Department" refers to the department of state revenue.
- 14 Sec. 7. "Distributor" means a person licensed under this article  
 15 to:  
 16 (1) buy a video gaming terminal from a manufacturer; and  
 17 (2) sell, lease, or otherwise distribute a video gaming terminal  
 18 or major components or parts of a video gaming terminal to  
 19 an operator.
- 20 Sec. 8. "Establishment" means any of the following locations  
 21 licensed to have video gaming terminals on the premises:  
 22 (1) A charitable organization establishment.  
 23 (2) A retail establishment.  
 24 (3) A truck stop establishment.
- 25 Sec. 9. "Gross receipts" means the total amount of money  
 26 wagered, either by cash or ticket, by patrons on a video gaming  
 27 terminal in an establishment.
- 28 Sec. 10. "Licensee" means a person holding a license issued  
 29 under this article.
- 30 Sec. 11. "Manufacturer" means a person that is licensed under  
 31 this article to:  
 32 (1) manufacture or assemble video gaming terminals; and  
 33 (2) sell video gaming terminals to a distributor.
- 34 Sec. 12. "Occupational licensee" means an individual who is  
 35 licensed under this article to possess, control, repair, service, or  
 36 maintain video gaming terminals.
- 37 Sec. 13. "Operator" means a person that is licensed under this  
 38 article to own or lease, install, maintain, and operate video gaming  
 39 terminals at an establishment located in Indiana.
- 40 Sec. 14. "Patron" means an individual who wagers on gambling  
 41 games played on a video gaming terminal.
- 42 Sec. 15. "Payment ticket" means a ticket dispensed by a video



1 gaming terminal in exchange for credits accumulated on a video  
2 gaming terminal.

3 Sec. 16. "Payout device" means a device that redeems a payout  
4 ticket with cash.

5 Sec. 17. "Person" means an individual, a sole proprietorship, a  
6 partnership, an association, a fiduciary, a corporation, a limited  
7 liability company, or any other business entity.

8 Sec. 18. "Retail establishment" means a premises on which  
9 alcoholic beverages are drawn, poured, mixed, or otherwise served  
10 for consumption on the premises, regardless of whether the  
11 establishment operates on a for-profit or nonprofit basis.

12 Sec. 19. "Supplier" means a person that is licensed under this  
13 article to supply major components or parts to video gaming  
14 terminals.

15 Sec. 20. "Truck stop establishment" means a premises that:

16 (1) is equipped with diesel islands designated for fueling  
17 commercial motor vehicles (as defined by IC 9-13-2-31);

18 (2) has sold at retail on average more than fifty thousand  
19 (50,000) gallons of diesel or biodiesel fuel each month over the  
20 previous twelve (12) months or is estimated to average more  
21 than fifty thousand (50,000) gallons in retail sales of diesel or  
22 biodiesel fuel per month, in the case of a newly opened truck  
23 stop;

24 (3) has parking spaces designated for commercial motor  
25 vehicles; and

26 (4) has a convenience store.

27 Sec. 21. "Vendor" means a person who provides or proposes to  
28 provide goods or services to the commission. The term does not  
29 include an employee of the commission, a licensed establishment,  
30 a licensee, or a state agency.

31 Sec. 22. "Video gaming terminal" means an electronic video  
32 gaming machine that:

33 (1) is available for consideration in the form of cash or ticket  
34 to play or simulate the play of a gambling game, including  
35 poker, line up, and blackjack, using a video display and  
36 microprocessors; and

37 (2) awards winning players with free games or credits that  
38 may be redeemed for cash.

39 The term does not include a machine that directly dispenses coins,  
40 cash, or tokens or is for amusement purposes only.

41 Sec. 23. "Video gaming terminal installation contract" means  
42 a contractual agreement between:



1 (1) an operator or a person eligible to apply for an operator's  
2 license; and

3 (2) an establishment or a person eligible to apply for an  
4 establishment license;

5 that sets forth the terms and conditions for the placement,  
6 installation, and operation of video gaming terminals on the  
7 premises of the establishment.

8 **Chapter 3. Powers and Duties of the Indiana Gaming**  
9 **Commission**

10 **Sec. 1. The commission has jurisdiction and supervision over the**  
11 **following:**

12 (1) All video gaming operations in Indiana.

13 (2) All patrons in establishments.

14 **Sec. 2. (a) The commission has the following powers for the**  
15 **purpose of administering, regulating, and enforcing the system of**  
16 **video gaming established under this article:**

17 (1) All powers and duties specified in this article.

18 (2) All powers necessary and proper to fully and effectively  
19 execute this article.

20 (3) The power to conduct hearings and to issue subpoenas for  
21 the attendance of witnesses and subpoenas duces tecum for  
22 the production of books, records, and other relevant  
23 documents.

24 (4) The power to administer oaths and affirmations to  
25 witnesses.

26 (5) The power to revoke, suspend, or renew licenses issued  
27 under this article.

28 (6) The power to hire employees, gather information, conduct  
29 investigations, and carry out other tasks under this article.

30 **(b) The commission has the following duties for the purpose of**  
31 **administering, regulating, and enforcing the system of video**  
32 **gaming established under this article:**

33 (1) To investigate and reinvestigate applicants, vendors,  
34 suppliers, establishments, and licensees.

35 (2) To take appropriate administrative enforcement or  
36 disciplinary action against a person regulated under this  
37 article.

38 (3) To investigate alleged violations of this article.

39 (4) To take any reasonable or appropriate action to enforce  
40 this article.

41 **Sec. 3. (a) The commission shall adopt rules under IC 4-22-2 for**  
42 **the following purposes:**



1 (1) Administering this article.

2 (2) Establishing the conditions under which video gaming in  
3 Indiana may be conducted.

4 (3) Providing for the prevention of practices detrimental to  
5 the public interest and providing for the best interests of video  
6 gaming in Indiana.

7 (4) Imposing penalties for noncriminal violations of this  
8 article.

9 (b) The commission shall adopt emergency rules in the manner  
10 provided under IC 4-22-2-37.1 for the purposes described in  
11 subsection (a) to enable video gaming in Indiana to commence as  
12 soon as possible after June 30, 2016.

13 Sec. 4. The commission shall do the following:

14 (1) Conduct all hearings concerning civil violations of this  
15 article.

16 (2) Levy and collect penalties for noncriminal violations of  
17 this article.

18 (3) Deposit the penalties in the state general fund.

19 Sec. 5. The commission shall adopt standards for the licensing  
20 of the following:

21 (1) Persons regulated under this article.

22 (2) Equipment necessary to conduct video gaming.

23 Sec. 6. The commission shall issue a request for proposals for a  
24 central communication system vendor and enter into a contract  
25 with a central communication system vendor.

26 Sec. 7. The commission shall issue a request for proposals for an  
27 independent outside testing laboratory for the examination of video  
28 gaming terminals and associated equipment as required by this  
29 article. The commission shall enter into contracts with at least two  
30 (2) independent outside testing laboratories.

31 Sec. 8. If a licensee or an employee of a licensee violates this  
32 article or engages in a fraudulent act, the commission may do any  
33 combination of the following:

34 (1) Suspend, revoke, or restrict the license of the licensee.

35 (2) Require the removal of a licensee or an employee of a  
36 licensee.

37 (3) Impose a civil penalty or fine upon the licensee or  
38 employee.

39 Sec. 9. (a) The commission shall employ investigators.

40 (b) An investigator employed by the commission is vested with  
41 full police powers and duties to enforce this article.

42 (c) An investigator may issue a summons for an infraction or a





1       misdemeanor violation if the defendant promises to appear by  
 2       signing the summons. A defendant who signs a summons issued  
 3       under this subsection but fails to appear is subject to the penalties  
 4       provided by IC 35-44.1-2-10. Upon the defendant's failure to  
 5       appear, the court shall issue a warrant for the arrest of the  
 6       defendant.

7       (d) In addition to the powers and duties vested under subsection  
 8       (b), an investigator may act as an officer for the arrest of offenders  
 9       who violate the laws of Indiana if the investigator reasonably  
 10      believes that a crime has been, is being, or is about to be committed  
 11      or attempted in the investigator's presence.

12      Sec. 10. The commission shall establish the minimum amount of  
 13      insurance that must be maintained by an operator or an  
 14      establishment.

15      Chapter 4. Applicant Information

16      Sec. 1. This chapter applies to an applicant for any of the  
 17      following:

- 18       (1) A manufacturer license.
- 19       (2) A distributor license.
- 20       (3) A supplier license.
- 21       (4) An operator license.
- 22       (5) An establishment license.

23      Sec. 2. (a) An applicant for a manufacturer, distributor,  
 24      supplier, operator, or establishment license must provide the  
 25      following information:

- 26       (1) The name, business address, and business telephone  
 27       number of the applicant.
- 28       (2) The following information for an applicant that is not an  
 29       individual:
  - 30          (A) The state of the applicant's incorporation or  
 31          registration.
  - 32          (B) The names of all directors and officers.
- 33       (3) The identity of the following:
  - 34          (A) Any person in which the applicant has an equity  
 35          interest of at least five percent (5%) of all shares. The  
 36          identification must include the state of incorporation or  
 37          registration, if applicable. However, an applicant that has  
 38          a pending registration statement filed with the Securities  
 39          and Exchange Commission is not required to provide  
 40          information under this clause.
  - 41          (B) The shareholders or participants in the applicant. An  
 42          applicant whose interests are publicly traded is required to



- 1 provide only the names of the persons holding an equity  
 2 interest of more than five percent (5%).
- 3 (4) An identification of any business, including the state of  
 4 incorporation or registration, if applicable, in which an  
 5 applicant, the spouse of the applicant, or a child of the  
 6 applicant, has an equity interest of more than five percent  
 7 (5%).
- 8 (5) If the applicant has been indicted or convicted, has pled  
 9 guilty or nolo contendere, or has forfeited bail concerning a  
 10 criminal offense under the laws of any jurisdiction, the  
 11 applicant must include the following information:
- 12 (A) The name and location of the following:
- 13 (i) The court.
- 14 (ii) The arresting law enforcement agency.
- 15 (iii) The prosecuting attorney.
- 16 (B) The case number.
- 17 (C) The date and type of the criminal offense.
- 18 (D) The disposition of the case.
- 19 (E) The location and duration of any periods of  
 20 incarceration served by the applicant.
- 21 (6) If the applicant has had a license or a certificate issued by  
 22 a licensing authority in Indiana or any other jurisdiction  
 23 denied, restricted, suspended, revoked, or not renewed, the  
 24 applicant must provide the following information:
- 25 (A) A statement describing the facts and circumstances  
 26 concerning the authority's actions concerning the  
 27 applicant's license or certificate.
- 28 (B) The date of the authority's action concerning the  
 29 applicant's license or certificate.
- 30 (C) The reason for the authority's action concerning the  
 31 applicant's license or certificate.
- 32 (7) If the applicant:
- 33 (A) has filed or had filed against the applicant a proceeding  
 34 in bankruptcy; or
- 35 (B) has been involved in a formal process to adjust, defer,  
 36 suspend, or work out the payment of a debt;  
 37 the applicant must provide the date of filing, the name and  
 38 location of the court, the case number of the proceeding, and  
 39 the disposition of the proceeding.
- 40 (8) If the applicant has filed or been served with a complaint  
 41 or notice filed with a public body concerning:
- 42 (A) a delinquency in the payment of; or



1           **(B) a dispute over the filing of;**  
 2           **a return or the payment of a tax under federal, state, or local**  
 3           **law, the applicant must include the amount of the disputed**  
 4           **tax, the type of the disputed tax, the name of the taxing agency**  
 5           **involved, and the time involved in the tax dispute.**

6           **(9) A statement listing the names and positions of public**  
 7           **officials, public officers, and the relatives of public officials**  
 8           **and public officers who directly or indirectly:**

9               **(A) have a financial interest in;**

10              **(B) have a beneficial interest in;**

11              **(C) are the creditors of;**

12              **(D) hold a debt instrument issued by; or**

13              **(E) have an interest in a contractual or service relationship**  
 14              **with;**

15           **the applicant.**

16           **(10) Except as provided in subsection (b), if the applicant has**  
 17           **directly or indirectly made a political contribution, loan,**  
 18           **donation, or other payment to a candidate or an office holder**  
 19           **in Indiana in the five (5) years before the date of the**  
 20           **application, the applicant must provide the amount and**  
 21           **method of the payment.**

22           **(11) The name and business telephone number of the attorney**  
 23           **who will represent the applicant in matters before the**  
 24           **commission.**

25           **(12) A description of the product or service to be**  
 26           **manufactured, distributed, or supplied by the applicant if the**  
 27           **applicant is applying for a manufacturer, distributor, or**  
 28           **supplier license.**

29           **(b) Subsection (a)(10) does not apply to an applicant for an**  
 30           **establishment license.**

31           **Sec. 3. (a) The following information that may be submitted,**  
 32           **collected, or gathered as part of an application for a license under**  
 33           **this article is confidential for purposes of IC 5-14-3-4:**

34               **(1) Any information concerning a minor child of the**  
 35               **applicant.**

36               **(2) The Social Security number of the applicant or the**  
 37               **applicant's spouse.**

38               **(3) The home telephone number of the applicant, the**  
 39               **applicant's spouse, or the children of the applicant.**

40               **(4) An applicant's birth certificate.**

41               **(5) The driver's license number of the applicant or the**  
 42               **applicant's spouse.**



- 1           (6) The name or address of any former spouse of the  
2 applicant.
- 3           (7) The date of birth of the applicant's spouse.
- 4           (8) The place of birth of the applicant's spouse.
- 5           (9) The personal financial records of an applicant, the  
6 applicant's spouse, or a minor child of the applicant.
- 7           (10) Any information concerning a victim of domestic  
8 violence, sexual assault, or stalking.
- 9           (11) The electronic mail address of an applicant, the spouse of  
10 an applicant, or a family member of an applicant.
- 11           (b) In addition to information that is confidential under  
12 subsection (a), all information maintained by the commission  
13 concerning an applicant who holds, held, or has applied for a  
14 license under this article:
- 15               (1) is confidential for purposes of IC 5-14-3; and
- 16               (2) may be released by the commission only for law  
17 enforcement purposes or to a state agency.
- 18           (c) For the safety of the public, establishments, and operators,  
19 the commission may not disclose financial data related to the  
20 economic performance of video gaming at any individual  
21 establishment.
- 22           Sec. 4. Notwithstanding any other law, the commission shall  
23 provide upon written request the following information:
- 24               (1) The information provided under section 2 of this chapter  
25 concerning a licensee or an applicant.
- 26               (2) The aggregate amount of tax paid to the state by all of the  
27 establishments located in each municipality or county.
- 28               (3) A copy of any documentation from the commission  
29 providing the reasons for the denial, revocation, suspension,  
30 or nonrenewal of a license.
- 31               (4) A copy of any documentation from the commission  
32 providing the reasons for the commission's refusal to allow an  
33 applicant to withdraw the applicant's application.
- 34           Chapter 5. Licensing of Persons
- 35           Sec. 1. (a) The commission may issue the following licenses  
36 under this chapter to qualified applicants:
- 37               (1) A manufacturer license.
- 38               (2) A distributor license.
- 39               (3) A supplier license.
- 40               (4) An operator license.
- 41               (5) An establishment license.
- 42           (b) To obtain a license, a person must submit an application



1 form, an application fee, and any information requested by the  
2 commission under this article.

3 (c) The commission shall, promptly and in reasonable order,  
4 approve or reject all license applications received under this  
5 article.

6 Sec. 2. The burden is on each applicant to demonstrate the  
7 applicant's suitability for a license issued under this article. The  
8 commission may issue or deny a license as provided by this article.

9 Sec. 3. An applicant for a license under this article must submit  
10 to a background investigation conducted by the commission with  
11 the assistance of the state police or another law enforcement  
12 agency.

13 Sec. 4. A person may not be licensed under this article if any of  
14 the following apply:

15 (1) The applicant has knowingly made a false statement of  
16 material fact to the commission.

17 (2) The applicant is found by the commission to lack the  
18 necessary financial stability or responsibility for holding an  
19 establishment license issued under this article.

20 (3) The applicant, if an individual, is less than twenty-one (21)  
21 years of age on the date on which the application is received  
22 by the commission.

23 (4) The applicant is on the most recent tax warrant list.

24 (5) The applicant, if an individual, has been convicted of or  
25 entered a plea of guilty or nolo contendere to a crime set forth  
26 in IC 35-45-5 or a crime of moral turpitude.

27 (6) The applicant, if an individual, has been convicted of or  
28 entered a plea of guilty or nolo contendere to a felony within  
29 the ten (10) years preceding the date of the license application,  
30 unless the commission determines that:

31 (A) the individual has been pardoned or the individual's  
32 civil rights have been restored;

33 (B) after the conviction or entry of the plea, the individual  
34 has engaged in the kind of law abiding commerce and good  
35 citizenship that would reflect well upon the integrity of the  
36 commission; or

37 (C) the individual has terminated a relationship with a  
38 person whose actions directly contributed to the conviction  
39 or entry of the plea.

40 (7) The applicant fails to provide all materials requested by  
41 the commission.

42 (8) The applicant has a background, including a criminal



1 record, reputation, habits, social or business associations, or  
 2 prior activities, that poses a threat to the public interests of  
 3 the state or to the security and integrity of video gaming.

4 (9) The applicant may create or enhance the dangers of  
 5 unsuitable, unfair, or illegal practices, methods, and activities  
 6 in the conduct of video gaming.

7 (10) The applicant presents questionable business practices  
 8 and financial arrangements incidental to the conduct of video  
 9 gaming operations.

10 **Sec. 5. The fact that an applicant:**

11 (1) has faced charges of a crime described in section 4(5) or  
 12 4(6) of this chapter that were ultimately dismissed; or

13 (2) has been charged with a crime described in section 4(5) or  
 14 4(6) of this chapter, but not convicted of the crime;

15 is not sufficient grounds to disqualify the applicant for a license  
 16 under this article in the absence of other facts determined by the  
 17 commission to support a finding of unsuitability under section 4(8)  
 18 through 4(10) of this chapter.

19 **Sec. 6. The costs of investigating an applicant for a license under**  
 20 **this chapter must be paid from the initial license fee paid by the**  
 21 **applicant under IC 4-38-13.**

22 **Sec. 7. The commission shall conduct or cause to be conducted**  
 23 **a background investigation of each applicant for a license issued**  
 24 **under this chapter.**

25 **Sec. 8. Criminal history record information obtained during the**  
 26 **investigation of an individual must be maintained by the**  
 27 **commission for the term of the license and for any subsequent**  
 28 **license term.**

29 **Sec. 9. The commission may require that an application or other**  
 30 **document submitted by an applicant or a licensee must be sworn**  
 31 **to or affirmed before a notary public.**

32 **Sec. 10. An applicant must furnish all information requested by**  
 33 **the commission, including financial data and documents,**  
 34 **certifications, consents, waivers, and individual histories.**

35 **Sec. 11. (a) An initial license issued under this chapter is valid**  
 36 **for one (1) year. A person holding a manufacturer license, a**  
 37 **distributor license, a supplier license, or an operator license may**  
 38 **annually renew the license if:**

39 (1) the commission determines that the person satisfies the  
 40 conditions of this article; and

41 (2) the person pays the annual renewal fee under IC 4-38-13.

42 (b) A person holding a manufacturer license, a distributor



1 license, a supplier license, or an operator license is subject to a  
 2 complete investigation every three (3) years to determine that the  
 3 person is in compliance with this article. The costs of the  
 4 investigation must be paid from the renewal license fee paid under  
 5 IC 4-38-13.

6 (c) Notwithstanding subsection (b), the commission may  
 7 investigate a person holding a manufacturer license, a distributor  
 8 license, a supplier license, or an operator license at any time the  
 9 commission determines that an investigation is necessary to ensure  
 10 that the person remains in compliance with this article.

11 Sec. 12. (a) The commission may issue an establishment license  
 12 to an applicant that satisfies the requirements of this article.

13 (b) An establishment license allows the licensee to conduct video  
 14 gaming under a video gaming terminal installation contract at the  
 15 street address specified in the licensee's application for the  
 16 establishment license. A person must obtain a separate  
 17 establishment license for each premises at which the person wishes  
 18 to conduct video gaming under a video gaming terminal  
 19 installation contract.

20 (c) An establishment license issued under this chapter is valid  
 21 for one (1) year.

22 Sec. 13. (a) To qualify for an establishment license, a person  
 23 must operate:

- 24 (1) an establishment licensed under IC 7.1-3 to sell alcoholic  
 25 beverages to customers for consumption on the premises of  
 26 the establishment; or
- 27 (2) a truck stop establishment.

28 (b) The following may not apply for an establishment license  
 29 under this article:

- 30 (1) A person holding a horse track permit under IC 7.1-3-17.7.
- 31 (2) A licensed owner of a riverboat licensed under IC 4-33.
- 32 (3) An operating agent who operates a riverboat in a historic  
 33 hotel district under IC 4-33-6.5.
- 34 (4) A person holding a gambling game license issued under  
 35 IC 4-35-5.
- 36 (5) A person holding a permit issued under IC 7.1-3 for any of  
 37 the following:
  - 38 (A) A boat permit.
  - 39 (B) A hotel permit.
  - 40 (C) A resort hotel permit.
  - 41 (D) An airport permit.
  - 42 (E) A satellite facility permit.



- 1 (F) A microbrewery permit.  
 2 (G) A social club permit.  
 3 (H) A civic center permit.  
 4 (I) A catering hall permit.  
 5 (J) A dining car permit.  
 6 (K) A temporary event permit.  
 7 (L) A permit for any of the following facilities:  
 8 (i) A stadium.  
 9 (ii) An automobile race track.  
 10 (iii) A concert hall.  
 11 (6) A person operating a convenience store.

12 **Sec. 14. If the commission proposes to revoke a license issued**  
 13 **under this chapter, the licensee may continue to operate under the**  
 14 **license until the commission has made a decision and all**  
 15 **administrative appeals have been exhausted by the licensee.**

16 **Chapter 6. Restrictions on Licensees and Other Persons**

17 **Sec. 1. A person holding a manufacturer license or a person**  
 18 **holding an interest in a person holding a manufacturer license may**  
 19 **not:**

- 20 (1) hold an operator license;  
 21 (2) hold an establishment license; or  
 22 (3) own an equity interest in a person holding an operator or  
 23 establishment license.

24 **Sec. 2. A person holding a distributor license or a person**  
 25 **holding an interest in a person holding a distributor license may**  
 26 **not:**

- 27 (1) hold an operator license;  
 28 (2) hold an establishment license; or  
 29 (3) own an equity interest in a person holding an operator or  
 30 establishment license.

31 **Sec. 3. A person holding a supplier license or a person holding**  
 32 **an interest in a person holding a supplier license may not:**

- 33 (1) hold an establishment license; or  
 34 (2) own an equity interest in a person holding an  
 35 establishment license.

36 **Sec. 4. A person holding an operator license or a person holding**  
 37 **an interest in a person holding an operator license may not:**

- 38 (1) hold a manufacturer license;  
 39 (2) hold a distributor license;  
 40 (3) hold an establishment license; or  
 41 (4) own an equity interest in a person holding a manufacturer  
 42 license, a distributor license, or an establishment license.





1           **Sec. 5. A person holding an establishment license or an owner or**  
 2 **a manager of a person holding an establishment license may not:**

- 3           **(1) hold a manufacturer license;**  
 4           **(2) hold a distributor license;**  
 5           **(3) hold an operator license; or**  
 6           **(4) own an equity interest in a person holding a manufacturer**  
 7 **license, a distributor license, or an operator license.**

8           **Sec. 6. Notwithstanding sections 1 through 5 of this chapter, a**  
 9 **licensee may hold an otherwise prohibited equity interest of not**  
 10 **more than five percent (5%) in another person holding a license**  
 11 **under this article if the other person is registered with the**  
 12 **Securities and Exchange Commission.**

13           **Sec. 7. A person may not assemble, sell, lease, or contract to sell**  
 14 **or lease a video gaming terminal to a distributor unless the person**  
 15 **holds a valid manufacturer license.**

16           **Sec. 8. A person may not sell, lease, or contract to sell or lease**  
 17 **a video gaming terminal to an operator unless the person holds a**  
 18 **valid distributor license.**

19           **Sec. 9. A person may not place, install, or manage the operations**  
 20 **of a video gaming terminal or the major components or parts of a**  
 21 **video gaming terminal in an establishment unless the person holds**  
 22 **a valid operator license. A person may not own or lease a video**  
 23 **gaming terminal or major components or parts of a video gaming**  
 24 **terminal unless the person holds a valid operator license.**

25           **Sec. 10. A person may not service, maintain, repair, possess,**  
 26 **control, or have access to a video gaming terminal or major**  
 27 **components or parts of a video gaming terminal unless the person**  
 28 **holds a valid operator license under this article.**

29           **Sec. 11. (a) A manufacturer may not:**

- 30           **(1) be licensed as an operator; or**  
 31           **(2) own, control, or manage an establishment.**

32           **(b) A distributor may not:**

- 33           **(1) be licensed as an operator; or**  
 34           **(2) own, control, or manage an establishment.**

35           **(c) An operator may not:**

- 36           **(1) be licensed as a manufacturer or distributor; or**  
 37           **(2) own, control, or manage an establishment.**

38           **(d) An operator may contract only with other licensees under**  
 39 **this article.**

40           **Sec. 12. (a) An operator may not give anything of value,**  
 41 **including a loan or a financing arrangement, to any establishment**  
 42 **as an incentive or inducement to locate video gaming terminals in**



1 that establishment.

2 (b) An establishment may not accept anything of value,  
3 including a loan or a financing arrangement, from any person as  
4 an incentive or inducement to locate video gaming terminals in that  
5 establishment.

6 **Chapter 7. Video Gaming Terminal Standards**

7 **Sec. 1.** A licensee may not install a video gaming terminal in a  
8 licensed establishment under a video gaming terminal installation  
9 contract unless the video gaming terminal has been approved by  
10 the commission.

11 **Sec. 2.** The commission may use the services of an independent  
12 testing laboratory to test video gaming terminals for compliance  
13 with this chapter.

14 **Sec. 3.** A video gaming terminal must do the following to satisfy  
15 the requirements for approval under this chapter:

16 (1) Conform to all requirements of federal law, including  
17 Class A Emissions Standards imposed under 47 CFR 15.

18 (2) Pay out a mathematically demonstrable percentage during  
19 the service life of the terminal of at least eighty percent  
20 (80%), but not more than ninety-five percent (95%).

21 (3) Use a random selection process to determine the outcome  
22 of each play of a game.

23 (4) Use a random selection process that meets ninety-nine  
24 percent (99%) confidence limits using a standard chi-square  
25 test for goodness of fit.

26 (5) Display an accurate representation of the game outcome.

27 (6) Be capable of detecting and displaying the following  
28 conditions during an idle state or on demand:

29 (A) Power reset.

30 (B) Door open.

31 (C) Door just closed.

32 (7) Be capable of displaying complete play history, including  
33 outcome, intermediate play steps, credits available, bets  
34 placed, credits paid, and credits cashed out, for the eleven (11)  
35 games most recently played on the terminal.

36 (8) Allow the replacement parts or modules required for  
37 normal maintenance without requiring the replacement of the  
38 electromechanical meters.

39 (9) House in a locked area of the terminal meters that:

40 (A) are incapable of being reset; and

41 (B) keep a permanent record of the value of any electronic  
42 card inserted into the terminal, all winnings made by the



- 1 terminal printer, credits played, and credits won by video  
 2 gaming players.
- 3 (10) Allow on demand display of the information recorded in  
 4 compliance with subdivision (9)(B).
- 5 (11) Use accounting software that keeps an electronic record  
 6 of at least the following information:
- 7 (A) The total value of all electronic cards inserted into the  
 8 terminal.
- 9 (B) The value of winning tickets claimed by players.
- 10 (C) The total credits played.
- 11 (D) The total credits awarded by the terminal.
- 12 (E) The payback percentage credited to the players of each  
 13 game.
- 14 (12) Link to a central communications system to provide  
 15 auditing program information required by the commission.
- 16 **Sec. 4. The commission may not approve a video gaming**  
 17 **terminal:**
- 18 (1) on which an automatic alteration of pay tables or any  
 19 function of the video gaming terminal through an internal  
 20 computation of hold percentage is possible;
- 21 (2) that is subject to any means of manipulation that affects  
 22 the random selection process or the probabilities of winning  
 23 a game; or
- 24 (3) that may be adversely affected by a static discharge or  
 25 other electromagnetic interference.
- 26 **Sec. 5. The theoretical payback percentage of a video gaming**  
 27 **terminal may not be altered except by changing the hardware or**  
 28 **software of the video gaming terminal on site or through the**  
 29 **central communications system required by IC 4-38-9-5.**
- 30 **Sec. 6. The operator shall retain any electronically stored meter**  
 31 **information recorded in accordance with this chapter for at least**  
 32 **one hundred eighty (180) days after a loss of electric power to a**  
 33 **video gaming terminal in service at a licensed establishment.**
- 34 **Chapter 8. Video Gaming Terminal Installation Contract**
- 35 **Sec. 1. A video gaming terminal installation contract must**  
 36 **include the following terms and conditions:**
- 37 (1) An affirmative statement that no inducement was offered  
 38 by the operator, the agent of the operator, or any other person  
 39 regarding the placement and operation of video gaming  
 40 terminals on the premises of the establishment.
- 41 (2) A provision prohibiting the operator from assigning the  
 42 contract to an unlicensed entity.



1 (3) A provision releasing the establishment from all  
 2 contractual obligations to the operator if the operator  
 3 surrenders its license, the license of the operator is revoked,  
 4 or the commission declines to renew the operator's license.

5 (4) A provision that indemnifies and holds harmless the state,  
 6 the commission, and any agent of the commission with respect  
 7 to a cause of action arising from the contract.

8 (5) A statement that the operator's obligation to place video  
 9 gaming terminals and the establishment's obligation to allow  
 10 the placement of video gaming terminals are both conditioned  
 11 upon the parties obtaining the necessary licenses to conduct  
 12 video gaming under this article.

13 **Sec. 2.** Subject to section 3 of this chapter, an installation  
 14 contract entered into under this article must require the adjusted  
 15 gross receipts derived from video gaming to be allocated as  
 16 follows:

17 (1) The following amounts for the first three (3) years of video  
 18 gaming operations under the contract:

19 (A) Thirty percent (30%) to the state in the form of taxes  
 20 remitted under IC 4-38-12.

21 (B) Forty percent (40%) to the operator.

22 (C) Thirty percent (30%) to the establishment.

23 (2) The following amounts for each year after the period  
 24 described in subdivision (1):

25 (A) Thirty percent (30%) to the state in the form of taxes  
 26 remitted under IC 4-38-12.

27 (B) Thirty-five percent (35%) to the operator.

28 (C) Thirty-five percent (35%) to the establishment.

29 **Sec. 3.** The amounts allocated to the operator and an  
 30 establishment under section 2 of this chapter may be adjusted to  
 31 allocate the costs of conducting video gaming under this article,  
 32 including costs incurred to establish a central communications  
 33 system, equally between the operator and the establishment.

#### 34 **Chapter 9. Conduct of Video Gaming**

35 **Sec. 1. (a)** An establishment may not allow a video gaming  
 36 terminal to be played except during the following periods:

37 (1) In the case of an establishment licensed for the  
 38 consumption of alcoholic beverages on the premises of the  
 39 establishment, the period beginning one (1) hour before the  
 40 lawful consumption of alcoholic beverages begins in the  
 41 establishment and ending one (1) hour after the lawful  
 42 consumption of alcoholic beverages ends in the establishment.



- 1           **(2) In the case of a truck stop establishment, during the period**  
 2           **in which the truck stop establishment is lawfully open for**  
 3           **business.**
- 4           **(b) An establishment that violates this section is subject to:**  
 5           **(1) the suspension, termination, or revocation of the**  
 6           **establishment's license; or**  
 7           **(2) other disciplinary action as determined by the commission.**
- 8           **Sec. 2. An operator must own or lease each video gaming**  
 9           **terminal installed under this article. An operator is responsible for**  
 10           **maintaining each video gaming terminal owned or leased by the**  
 11           **operator. An operator shall ensure that each video gaming**  
 12           **terminal owned or leased by the operator is in compliance with this**  
 13           **article and the requirements of the commission.**
- 14           **Sec. 3. (a) An operator must maintain liability insurance on any**  
 15           **video gaming terminal or equipment placed or installed in an**  
 16           **establishment by the operator.**
- 17           **(b) An establishment must maintain liability insurance on any**  
 18           **video gaming terminal or equipment placed or installed in the**  
 19           **establishment under a video gaming terminal installation contract.**
- 20           **(c) The commission shall determine the minimum amount of**  
 21           **insurance required by this section.**
- 22           **Sec. 4. An establishment shall conspicuously display the**  
 23           **following information on a poster or placard in the public area of**  
 24           **the establishment in which video gaming is conducted:**
- 25           **(1) The telephone number of the toll free telephone line**  
 26           **described in IC 4-33-12-6.**
- 27           **(2) That the area is restricted to individuals who are at least**  
 28           **twenty-one (21) years of age.**
- 29           **(3) The telephone number of the operator.**
- 30           **Sec. 5. (a) An operator must ensure that each video gaming**  
 31           **terminal in Indiana is linked to a central communications system.**
- 32           **(b) The central communications system required by this section**  
 33           **must:**
- 34           **(1) have game to system communication protocol;**  
 35           **(2) use a standard industry protocol approved by the**  
 36           **commission; and**  
 37           **(3) allow the commission or the operator to activate or**  
 38           **deactivate a particular video gaming terminal from a remote**  
 39           **location.**
- 40           **Sec. 6. An operator is liable for the video gaming wagering tax**  
 41           **imposed under IC 4-38-12.**
- 42           **Sec. 7. An operator shall display the odds of winning each game**



1 on or near each video gaming terminal, including the manner in  
2 which the odds are calculated.

3 **Sec. 8.** A licensed establishment conducting video gaming must  
4 install a video gaming terminal in an area separated from the  
5 public spaces of the licensed establishment in which a minor may  
6 be present. The entrance to the area must be within the view at all  
7 times of at least one (1) employee who is at least twenty-one (21)  
8 years of age. An establishment may comply with this section by  
9 erecting a physical barrier to the video gaming area, including a  
10 partition, gate, or rope that is secured to the floor or walls.

11 **Sec. 9.** The maximum number of video gaming terminals that  
12 may be installed in a licensed establishment is as follows:

- 13 (1) Five (5) in a retail establishment.
- 14 (2) Five (5) in a charitable organization establishment.
- 15 (3) Ten (10) in a truck stop establishment.

16 **Sec. 10.** The cost of a credit must be one (1) of the following  
17 amounts:

- 18 (1) One cent (\$0.01).
- 19 (2) Five cents (\$0.05).
- 20 (3) Ten cents (\$0.10).
- 21 (4) Twenty-five cents (\$0.25).

22 **Sec. 11.** The maximum amount that a patron may wager on a  
23 particular game on a video gaming terminal is two dollars (\$2).

24 **Sec. 12.** The maximum amount that a patron may win on any  
25 individual hand on a video gaming terminal is five hundred  
26 ninety-nine dollars (\$599).

27 **Sec. 13.** A video gaming terminal may not directly dispense cash,  
28 coins, or any article of exchange or value other than a receipt  
29 ticket.

30 **Sec. 14.** A patron must be able to obtain a receipt ticket at the  
31 end of the patron's play by pressing a ticket dispensing button on  
32 the video gaming terminal.

33 **Sec. 15.** A receipt ticket must include the following information:

- 34 (1) The total amount of credits and the amount of the cash  
35 award, if any, won by the patron.
- 36 (2) The date and time that the receipt ticket is dispensed.
- 37 (3) The serial number of the video gaming terminal.
- 38 (4) The sequential number of the receipt ticket.
- 39 (5) An encrypted validation number from which the validity  
40 of the cash award, if any, may be determined.
- 41 (6) The one (1) year expiration date of the payment ticket.

42 **Sec. 16.** A patron may collect any cash award won on a video



1 gaming terminal by submitting the cash receipt ticket into a payout  
2 device located in the establishment.

3 **Sec. 17. The following persons may not wager on a video gaming**  
4 **terminal:**

5 (1) An employee of the commission.

6 (2) A person less than twenty-one (21) years of age.

7 **Sec. 18. (a) Except as provided in subsection (c), video gaming**  
8 **may not be conducted at an establishment located within one**  
9 **hundred (100) feet of a school or place of worship.**

10 (b) Except as provided in subsection (c), video gaming may not  
11 be conducted at an establishment located within one thousand  
12 (1,000) feet of a casino regulated under IC 4-33 or IC 4-35.

13 (c) The prohibitions on video gaming near facilities described in  
14 subsections (a) and (b) do not apply if a facility described in  
15 subsection (a) or (b) is opened within the minimum distance of an  
16 establishment after video gaming has commenced at the  
17 establishment.

18 **Chapter 10. Crimes and Penalties**

19 **Sec. 1. A person who knowingly or intentionally:**

20 (1) makes a false statement on an application submitted under  
21 this article;

22 (2) conducts video gaming in a manner other than the manner  
23 required by this article; or

24 (3) permits a person less than twenty-one (21) years of age to  
25 make a wager on a video gaming terminal;

26 commits a Class A misdemeanor.

27 **Sec. 2. A licensee who knowingly or intentionally violates**  
28 **IC 4-38-6-12 commits a Level 6 felony.**

29 **Sec. 3. The commission may impose a civil penalty of not more**  
30 **than five thousand dollars (\$5,000) upon a licensee that permits a**  
31 **person barred from wagering under IC 4-38-9-17 to place a wager**  
32 **on a video gaming terminal.**

33 **Chapter 11. Judicial Review**

34 **Sec. 1. Except as provided in this article, IC 4-21.5 applies to**  
35 **actions of the commission.**

36 **Sec. 2. An appeal of a final rule or order of the commission**  
37 **issued under this article may be commenced under IC 4-21.5 in the**  
38 **circuit court of the county containing an affected licensed**  
39 **establishment.**

40 **Sec. 3. (a) The commission may require a licensee to suspend**  
41 **video gaming operations without notice or hearing if the**  
42 **commission determines that the safety or health of patrons or**



1 employees would be threatened by the continued operation of video  
2 gaming in the licensed establishment.

3 (b) The suspension of video gaming operations under this  
4 section may remain in effect until the commission determines that  
5 the cause for suspension has been abated. The commission may  
6 revoke a license issued under this article if the commission  
7 determines that the licensee has not made satisfactory progress  
8 toward abating the hazard.

9 **Chapter 12. Video Gaming Wagering Tax**

10 **Sec. 1.** A tax is imposed on the adjusted gross receipts from  
11 video gaming authorized under this article at the rate of thirty  
12 percent (30%). Each operator owning a video gaming terminal on  
13 which video gaming is conducted is liable for the tax imposed by  
14 this section.

15 **Sec. 2.** An operator shall remit the tax imposed by section 1 of  
16 this chapter to the department before the fifteenth day of the  
17 calendar month following the calendar month in which the  
18 adjusted gross receipts are received by the operator.

19 **Sec. 3.** The operator shall submit the following information to  
20 the department on a form prescribed by the department before the  
21 fifteenth day of each month:

22 (1) The total amount of adjusted gross receipts received from  
23 video gaming in the previous month.

24 (2) The total amount of gross receipts received from video  
25 gaming in the previous month.

26 (3) The total amount of taxes remitted under section 2 of this  
27 chapter.

28 (4) The information required by subdivisions (1) through (3)  
29 for each licensed establishment conducting video gaming in  
30 the previous month.

31 (5) The location of each establishment conducting video  
32 gaming in the previous month, including whether the  
33 establishment is located in an unincorporated area of a  
34 county.

35 **Sec. 4.** The department shall require payment under this  
36 chapter to be made by electronic funds transfer (as defined in  
37 IC 4-8.1-2-7(f)).

38 **Sec. 5.** The department shall do the following with the tax  
39 revenue collected each month under this chapter:

40 (1) Set aside forty percent (40%) of the revenue for a  
41 quarterly allocation to the municipality where the operator  
42 that submitted the taxes is located, to be used for road, street,





1 and bridge infrastructure.

2 (2) Set aside forty percent (40%) of the revenue for a  
3 quarterly allocation to the county where the operator that  
4 submitted the taxes is located, to be used for road, street, and  
5 bridge infrastructure.

6 (3) Deposit twenty percent (20%) of the revenue in the state  
7 general fund.

8 **Chapter 13. License Fees**

9 **Sec. 1. The commission shall charge the following initial license**  
10 **fees:**

11 (1) Twenty-five thousand dollars (\$25,000) for an initial  
12 manufacturer license, an initial distributor license, or an  
13 initial supplier license issued to a person residing or domiciled  
14 in Indiana.

15 (2) Thirty-five thousand dollars (\$35,000) for an initial  
16 manufacturer license, an initial distributor license, or an  
17 initial supplier license issued to a person residing or domiciled  
18 in a state other than Indiana or a country other than the  
19 United States.

20 (3) Fifteen thousand dollars (\$15,000) for an initial operator  
21 license issued to a person residing or domiciled in Indiana.

22 (4) Twenty-five thousand dollars (\$25,000) for an initial  
23 operator license issued to a person residing or domiciled in a  
24 state other than Indiana or a country other than the United  
25 States.

26 (5) Five hundred dollars (\$500) for an initial establishment  
27 license.

28 **Sec. 2. (a) A person holding a distributor, manufacturer, or**  
29 **supplier license shall pay an annual license renewal fee of ten**  
30 **thousand dollars (\$10,000).**

31 **(b) A person holding an operator license shall pay an annual**  
32 **license renewal fee of five thousand dollars (\$5,000).**

33 **(c) The commission shall charge each person holding an**  
34 **establishment license the following annual renewal fees:**

35 (1) One hundred dollars (\$100) for a licensed establishment  
36 that had adjusted gross receipts of less than twenty-five  
37 thousand dollars (\$25,000) in the previous twelve (12)  
38 calendar months.

39 (2) Two hundred fifty dollars (\$250) for a licensed  
40 establishment that had adjusted gross receipts of at least  
41 twenty-five thousand dollars (\$25,000) but less than fifty  
42 thousand dollars (\$50,000) in the previous twelve (12)



1           calendar months.

2           **(3) Five hundred dollars (\$500) for a licensed establishment**  
 3           **that had adjusted gross receipts of at least fifty thousand**  
 4           **dollars (\$50,000) but less than one hundred thousand dollars**  
 5           **(\$100,000) in the previous twelve (12) calendar months.**

6           **(4) One thousand dollars (\$1,000) for a licensed establishment**  
 7           **that had adjusted gross receipts of at least one hundred**  
 8           **thousand dollars (\$100,000) in the previous twelve (12)**  
 9           **calendar months.**

10          **Sec. 3. A licensee shall pay the annual renewal fee due under**  
 11          **section 2 of this chapter on the first day of the calendar month**  
 12          **containing the anniversary date of the issuance of the licensee's**  
 13          **establishment license.**

14          **Sec. 4. The commission shall deposit the following into the state**  
 15          **general fund:**

16               **(1) All fees collected under this chapter.**

17               **(2) All application fees received under IC 4-38-5.**

18          SECTION 3. IC 6-8.1-1-1, AS AMENDED BY P.L.220-2014,  
 19          SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 20          JULY 1, 2016]: Sec. 1. "Listed taxes" or "taxes" includes only the  
 21          pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat  
 22          admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13);  
 23          the slot machine wagering tax (IC 4-35-8); the type II gambling game  
 24          excise tax (IC 4-36-9); **the video gaming wagering tax (IC 4-38-12);**  
 25          the gross income tax (IC 6-2.1) (repealed); the utility receipts and  
 26          utility services use taxes (IC 6-2.3); the state gross retail and use taxes  
 27          (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net  
 28          income tax (IC 6-3-8) (repealed); the county adjusted gross income tax  
 29          (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county  
 30          economic development income tax (IC 6-3.5-7); the auto rental excise  
 31          tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax  
 32          (IC 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax  
 33          (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement  
 34          under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the aviation  
 35          fuel excise tax (IC 6-6-13); the commercial vehicle excise tax  
 36          (IC 6-6-5.5); the excise tax imposed on recreational vehicles and truck  
 37          campers (IC 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6)  
 38          (repealed); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2);  
 39          the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the  
 40          hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5);  
 41          the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes  
 42          (IC 6-9); the various food and beverage taxes (IC 6-9); the county



1 admissions tax (IC 6-9-13 and IC 6-9-28); the regional transportation  
2 improvement income tax (IC 8-24-17); the oil inspection fee  
3 (IC 16-44-2); the emergency and hazardous chemical inventory form  
4 fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3  
5 and IC 9-30); the fees and penalties assessed for overweight vehicles  
6 (IC 9-20-4 and IC 9-30); and any other tax or fee that the department  
7 is required to collect or administer.

8 SECTION 4. IC 35-45-5-14 IS ADDED TO THE INDIANA CODE  
9 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
10 1, 2016]: **Sec. 14. This chapter does not apply to video gaming  
11 authorized by IC 4-38.**

12 SECTION 5. IC 35-52-4-36 IS ADDED TO THE INDIANA CODE  
13 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
14 1, 2016]: **Sec. 36. IC 4-38-10-1 defines a crime concerning video  
15 gaming.**

16 SECTION 6. IC 35-52-4-37 IS ADDED TO THE INDIANA CODE  
17 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
18 1, 2016]: **Sec. 37. IC 4-38-10-2 defines a crime concerning video  
19 gaming.**

