

AMENDATORY SECTION (Amending WSR 18-05-026, filed 2/9/18, effective 5/1/18)

**WAC 230-05-110 Defining "gross gambling receipts rate."** "Gross gambling receipts rate" is the rate listed in this chapter that licensees use to calculate their quarterly license fees, if applicable. This also is the rate used for quarterly license reports.

AMENDATORY SECTION (Amending WSR 20-08-095, filed 3/30/20, effective 4/30/20)

**WAC 230-05-112 Defining "gross gambling receipts."** (1) "Gross gambling receipts" means the amount due to any operator of an authorized activity as described in subsection (5) of this section.

(2) The amounts must be stated in U.S. currency.

(3) The value must be before any deductions for prizes or other expenses, such as over/short.

(4) "Gross gambling receipts" does not include fees from players to enter player-supported jackpots. However, any portion of wagers deducted for any purpose other than increasing current prizes or repayment of amounts used to seed prizes are "gross gambling receipts."

(5) Gross gambling receipts for authorized activities:

<b>Activity:</b>	<b>Gross gambling receipts include amounts due to any operator for:</b>
(a) <b>Punch board and pull-tab</b>	Purchasing chances to play.
(b) <b>Raffles and enhanced raffles</b>	Purchasing chances to enter.
(c) <b>Bingo</b>	Fees or purchase of cards to participate.
(d) <b>Amusement games</b>	Amounts paid to play amusement games.
(e) <b>Card games</b>	<ul style="list-style-type: none"><li>• "Net win" from house-banked card games;</li><li>• Tournament entry fees;</li><li>• Administrative fees from player-supported jackpots;</li><li>• Fees to participate in nonhouse-banked card games.</li></ul>

<b>Activity:</b>	<b>Gross gambling receipts include amounts due to any operator for:</b>
<b>(f) Manufacturers and distributors</b>	<p>(i) Fees from sales, rentals, leases, royalties, and service fees collected for the following gambling equipment in Washington to include, but not limited to:</p> <ul style="list-style-type: none"> <li>• Bingo paper or bingo cards;</li> <li>• Punch boards and pull-tabs;</li> <li>• Devices for dispensing pull-tabs;</li> <li>• Electronic devices for conducting, facilitating or accounting for the results of gambling activities;</li> <li>• Cards;</li> <li>• Dice;</li> <li>• Gambling chips;</li> <li>• Cash exchange terminals;</li> <li>• Progressive meters;</li> <li>• Gambling software;</li> <li>• License agreements;</li> <li>• Card shuffling devices;</li> <li>• Graphical game layouts for table games;</li> <li>• Ace finders or no-peek devices;</li> <li>• Roulette wheels;</li> <li>• Keno equipment;</li> <li>• Tables manufactured exclusively for gambling purposes;</li> <li>• Bet totalizers;</li> <li>• Electronic devices for reading or displaying outcomes of gambling activities;</li> <li>• Tribal lottery systems and components thereof.</li> </ul> <p>(ii) Fees from the service, repair and modification of gambling equipment in Washington to include, but not limited to:</p> <ul style="list-style-type: none"> <li>• Charges for labor and parts for repairing gambling equipment;</li> <li>• Service fees related to gambling operations;</li> <li>• Training or set-up fees;</li> <li>• Maintenance contract fees related to gambling equipment and operations.</li> </ul>

<b>Activity:</b>	<b>Gross gambling receipts include amounts due to any operator for:</b>
<b>(g) Gambling service suppliers</b>	<p>Fees from gambling-related services provided in or to be used in Washington to include, but not limited to:</p> <ul style="list-style-type: none"> <li>• Consulting, advisory or management services related to gambling;</li> <li>• Interest from financing the purchase or lease of gambling equipment, infrastructure or facilities or equipment that supports gambling operations;</li> <li>• Acting as a lending agent, loan services or placement agent;</li> <li>• Assembly of components for gambling equipment to be used under a contract with a licensed manufacturer;</li> <li>• Ongoing financial arrangements for gambling related software with a licensed manufacturer;</li> <li>• Installing, integrating, maintaining, or servicing digital surveillance systems that allow direct access to the operating system;</li> <li>• Training individuals to conduct authorized gambling activities;</li> <li>• Performing testing and certification of tribal lottery systems in meeting requirements specified in the tribal-state compacts;</li> <li>• Providing nonmanagement related recordkeeping or storage services for punch board and pull-tab operators;</li> <li>• Ownership of proprietary games or equipment.</li> </ul>
<b>(h) Punch board/pull-tab service businesses</b>	<p>Providing nonmanagement related recordkeeping or storage services for punch board and pull-tab operators.</p>
<b>(i) Fund-raising event distributors</b>	<p>Fees from contracts to organize and conduct recreational gaming activities.</p>
<b>(j) Fund-raising events and agricultural fairs</b>	<p>Fees received from the operation of bingo, amusement games, raffles, lotteries, contests of chance, and/or net win from table games operated at a fund-raising event.</p>
<b><u>(k) Major sports wagering vendor</u></b>	<p><u>Fees or revenues received from providing sports wagering goods and services, including management, consulting, sales, rentals, leases, and royalties, for any sports wagering activities in Washington.</u></p>

<b>Activity:</b>	<b>Gross gambling receipts include amounts due to any operator for:</b>
<b><u>(l) Mid-level sports wagering vendor</u></b>	<u>Fees or revenues received from providing sports wagering goods and services, including sales, rentals, leases, and royalties, for any sports wagering activities in Washington.</u>
<b><u>(m) Ancillary sports wagering vendor</u></b>	<u>Fees or revenues from providing sports wagering goods and services, including sales, rentals, leases, and royalties, for any sports wagering activities in Washington.</u>

AMENDATORY SECTION (Amending WSR 18-05-026, filed 2/9/18, effective 5/1/18)

**WAC 230-05-120 Paying annual license fee.** (1) All licensed organizations will pay annual license fees (~~(in up to five payments)~~). The annual license fee will be up to five payments and includes:

(a) A base license fee paid with your:

(i) Initial application for a new license or permit; or

(ii) License renewal or annual permit application; and

(b) Quarterly license fees, if applicable, based on the gross gambling receipts reported on your quarterly license report.

(2) Licensed organizations starting a new activity will begin paying quarterly license fees, if applicable, on that activity upon completion of the first quarter, whether a partial or full quarter, after your license or annual permit was issued.

(3) Individual licensees will pay an annual license fee with their initial application or license renewal application.

AMENDATORY SECTION (Amending WSR 20-12-046, filed 5/28/20, effective 6/28/20)

**WAC 230-05-124 Quarterly license reports and quarterly license fees.** (~~All~~) Licensed organizations must submit quarterly license reports (and). Licensed organizations must also submit quarterly license fees to us, if applicable, for each licensed gambling activity beginning with the first quarter of their license year. The quarterly license fee is due with the quarterly license report.

The quarterly license reports must be in the format we require and must:

(1)

Cover the period:	Be received by us no later than:
January 1 through March 31	April 30
April 1 through June 30	July 31
July 1 through September 30	October 31

Cover the period:	Be received by us no later than:
October 1 through December 31	January 31

(2) Be received online at our administrative office or postmarked no later than the dates indicated in the table in subsection (1) of this section; and

(3) Be submitted even if there is no quarterly license fee payable to us; and

(4) Be accurate; and

(5) Be completed by the highest ranking executive officer or a designee. If someone other than the licensee or an employee prepares the report, the preparer must include his or her name and business telephone number on the report; and

(6) Be submitted for any period of time the license was valid, even if there was no gambling activity or the gambling license was not renewed.

AMENDATORY SECTION (Amending WSR 18-11-055, filed 5/10/18, effective 6/10/18)

**WAC 230-05-125 Report gross gambling receipts on the quarterly license report.** (1) You must report your gross gambling receipts for each of your licensed gambling activities during the previous quarter on your quarterly license report.

(2) You must submit a quarterly license report even if you:

(a) Only need to pay your base license fee;

(b) Have paid the maximum annual license fee for your license year;

~~((b))~~ (c) You do not owe a quarterly license fee for the quarter;

~~((e))~~ (d) Have no gross gambling receipts to report;

~~((d))~~ (e) Close your business;

~~((e))~~ (f) Surrender your license;

~~((f))~~ (g) Do not renew your license; or

~~((g))~~ (h) Your license is revoked or suspended.

AMENDATORY SECTION (Amending WSR 18-05-026, filed 2/9/18, effective 5/1/18)

**WAC 230-05-126 Online filing and payments required with waivers available upon request for good cause.** (1) All licensees must submit the following online, where applicable:

(a) Renewal application and base license fees; and

(b) Quarterly license fees; and

(c) Quarterly license reports.

(2) We may waive these requirements if a licensed organization can show good cause. The reasons for good cause include:

(a) You do not have access to the internet using your own computer or similar equipment; or

(b) You do not have a bank account; or

- (c) Your bank is unable to send electronic fund transactions; or
- (d) Some other circumstance or condition exists that, in our judgment, prevents you from submitting online.
- (3) We may waive these requirements if a licensed individual can show good cause. The reasons for good cause include:
  - (a) You do not have access to the internet using your own computer or similar equipment; or
  - (b) You do not have a bank account or credit card; or
  - (c) Your bank is unable to send electronic fund transactions; or
  - (d) Some other circumstance or condition exists that, in our judgment, prevents you from submitting online.
- (4) You must request a waiver when applying for a new license or permit.
- (5) A waiver will cover all fees and reports required under subsection (1) of this section.

AMENDATORY SECTION (Amending WSR 18-11-055, filed 5/10/18, effective 6/10/18)

**WAC 230-05-170 Fees for other businesses.** All other business organizations must pay the following fees:

- (1) Annual licenses or permits:

License Type	Base License Fee	Gross Gambling Receipts Rate	Maximum Annual License Fee
Agricultural fair bingo (annual permit)	\$200	-	-
Call centers for enhanced raffles	\$4,800	-	-
Commercial amusement games	\$500 plus \$65 per approved location	1.130%	\$11,000
Distributor	\$700	1.430%	\$7,000
Fund-raising event distributor	\$280	1.430%	\$1,000
Linked bingo prize providers	\$1,500	.046%	\$20,000
Manufacturer	\$1,500	1.430%	\$25,000
Manufacturer's special sales permit	\$250	-	-
Punch board/pull-tab service business permit	\$250	-	-
Gambling service supplier	\$300	1.430%	\$7,000
<u>Major sports wagering vendor</u>	<u>\$65,000</u>	=	=
<u>Mid-level sports wagering vendor</u>	<u>\$10,000</u>	=	=
<u>Ancillary sports wagering vendor</u>	<u>\$5,000</u>	=	=

- (2) Events or permits:

License or Permit Type	Base License Fee	Gross Gambling Receipts Rate	Maximum Annual License Fee
Recreational gaming activity	\$65	-	-
Special property bingo	\$30	-	-

(3) Change fees:

Change of:	Fee
Name	\$100
Location	\$100
Business classification (same owners)	\$100
Corporate stock/limited liability company shares/units	\$100
License transfers	\$100

(4) Other fees:

Transaction	Fee
Add a new amusement game location	\$65
Defective punch board/pull-tab cost recovery fees	Up to \$100
Duplicate license	\$50
Pre- and post-licensing investigations	Cost reimbursement
Review, inspection, and/or evaluation of gambling equipment, supplies, services, games, schemes, or group 12 amusement games	Deposit and cost reimbursement

AMENDATORY SECTION (Amending WSR 18-08-053, filed 3/30/18, effective 5/1/18)

**WAC 230-05-175 Individual license fees.** Individuals must pay the following fees:

(1) Annual license and additional employer fees:

License Type	New Application Fee	Annual Renewal Fee	Additional or Change of Employer Fee
Call center for enhanced raffle representative	\$275	\$170	-
Card room employee license - Nonhouse-banked (Class A)	\$200	\$95	\$65
Card room employee license - Class F and house-banked (Class B)	\$275 (in-state) \$340 (out-of-state)	\$170	\$65
Charitable or nonprofit gambling manager	\$200	\$95	\$95
Commercial gambling manager	\$200	\$95	\$95
Distributor representative	\$275	\$170	\$65
Linked bingo prize provider representative	\$275	\$170	\$65
Manufacturer representative	\$275	\$170	\$65

License Type	New Application Fee	Annual Renewal Fee	Additional or Change of Employer Fee
Gambling service supplier representative	\$275	\$170	\$65
<u>Major sports wagering vendor representative</u>	<u>\$275</u>	<u>\$170</u>	<u>\$65</u>
<u>Mid-level sports wagering vendor representative</u>	<u>\$275</u>	<u>\$170</u>	<u>\$65</u>
<u>Ancillary sports wagering vendor representative</u>	<u>\$275</u>	<u>\$170</u>	<u>\$65</u>

(2) Class B card room employees must pay the out-of-state application fee if over the last ten years the applicant lived outside of Washington for six nonconsecutive months or more.

(3) Other service fees:

Transaction	Fee
Change of name	\$30
Card room employee emergency waiver request	\$65
Duplicate license	\$30

(4) Military personnel returning from service. If a license expires while an individual is on active military service, the individual may apply to have their license reissued at the renewal fee. The application must be received within six months after completing their active military service. The applicant must provide evidence of the completion date of active military service.