

### §1743. Expenses

A. All expenses incurred in connection with the conduct of charitable gaming must be paid from the separate charitable gaming bank account.

B. All expenses paid must be bona fide, reasonable in amount, and ordinary and necessary to the conduct of the gaming activity. In connection with this rule, the following definitions shall apply:

1. *Bona Fide* - an expense that is genuine and authentic.

2. *Reasonable* - an expense that is moderate or fair in amount.

3. *Ordinary* - an expense that is commonly incurred in the conduct of charitable gaming.

4. *Necessary* - an expense that is appropriate and justifiably required to conduct the games.

C. Incurring or paying, whether directly or indirectly, of expense for the following goods and services is specifically prohibited:

1. transportation of game players;
2. child care or baby sitting service;
3. rentals in excess of reasonable market rental rate;
4. promotional items given to game players during a bingo or keno session.

D. All expenses paid must be fully supported by receipt or other written evidence.

E. Payments for door prizes are not deductible as an expense, but rather are deductible as gaming prize payouts subject to the \$4,500 per session limitation [\$25,000 per special session].

F. Deductions on quarterly reports for nonsufficient fund (NSF) checks exceeding \$500 or one percent of gross proceeds must be accompanied by a written explanation of collections efforts undertaken and evidence of changes in check cashing policies which will ensure future amounts do not exceed one percent of gross proceeds.

G. Pull Tabs. A licensee is prohibited from selling a pull tab for an amount different from the pull tab's face value. Under no circumstances may a licensee give away free pull tabs or sell pull tabs at discounted prices.

*AUTHORITY NOTE: Adopted in accordance with R.S.40:1485.4, R.S. 33:4861.13 C., R.S. 33:4861.17.*

*HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 12:157 (March 1986), amended LR 13:99 (February 1987), LR 17:386 (April 1991).*