

## **FAQ's – Licensed Organizations**

### **General**

#### **Can we let our Auxiliary hold a Bingo using our premise and equipment?**

Yes, but the event will be treated as if it is being conducted by the licensed organization and all aspects of the Bingo & Raffle Policy, Regulations and Law apply. If you believe that your auxiliary is not an affiliate of your organization by virtue of separate charter, by laws, financial accounts, address, etc, please submit any documentation that supports this and the Board will consider a request to view the auxiliary as a separate and unlicensed organization.

#### **Can a member of our auxiliary be the Bingo Manager?**

No, the Bingo Manager must be a bona fide member of the licensed organization pursuant to 60-2B-8.B NMSA.

### **Audit Related**

#### **Our organization just got licensed and I want to know how often we are required to send in our report?**

Once your organization is licensed, you are required to send in a complete quarterly report to:

NMGCB  
4900 Alameda NE,  
Albuquerque, NM 87122

The reports are due quarterly on April 25<sup>th</sup> for the 1<sup>st</sup> quarter, July 25<sup>th</sup> for the 2<sup>nd</sup> quarter, October 25<sup>th</sup> for the 3<sup>rd</sup> quarter and January 25<sup>th</sup> for the 4<sup>th</sup> quarter. Even if you have no game activity in certain months or certain quarters, you are still required to send in a zero activity report along with all applicable attachments. The most recent report that should be utilized is dated 01/2008 and is on our website at [www.nmgcb.org](http://www.nmgcb.org) under bingo forms.

#### **What is considered a complete report?**

This includes the first five pages of the most recent quarterly report dated 01/2008, which must be completed in ink or typed and signed by all three required individuals as listed on the report. Supplement #1 must be completed for each month in the quarter with all games of chance listed separately. Supplement #2 and Supplement #3 must be completed for all three months in the quarter being reported. Bank statements for all three months including check images and deposit images front and back must also be submitted. The

two other attachments required to be sent with the completed quarterly report form is a copy of the bingo tax coupons for the three months that were sent to Taxation and Revenue and all distributor invoices received and paid for the purchase of bingo paper, pulltabs and daubers, etc.

### **Our organization just got licensed and I want to know how often taxes are due?**

Once your organization gets licensed, you should be receiving tax coupons in the mail from Taxation and Revenue. If you do not receive them within 15 days of being licensed, please call 505-827-0768. Your taxes are due monthly and must be post marked by the 25<sup>th</sup> of each month. Please send the completed tax coupon and check to the address listed on the tax coupon (PO Box 25123, Santa Fe, NM 87504-5123). Even if your organization has no activity in any given month, a tax coupon still must be mailed showing zero activity. Any month your organization does not mail a check and/or tax coupon, you will be considered a zero filer for that month and your organization will be subject to penalties and interest.

### **What is lawful purpose?**

Lawful purpose is the amounts you designated on your last bingo renewal form which shows a breakdown of which charities you will be giving to and any overflow expenses to be paid, if applicable. All net proceeds after prizes, allowable expenses and taxes must be expended towards lawful purposes. All lawful purpose money must be expended and checks cleared 30 days after the end of calendar year.

### **What IRS laws is my organization subject to?**

When a single pulltab win is \$600 or greater or a single bingo win is \$1,200 or greater, the licensed organization must have the winner complete a W2-G. To order blank W2-G forms call 1-800-829-3676. This is a triplicate form and Copy A of this completed form should be retained by the organization and mailed by the end of the calendar year along with the 1096 Transmittal Form. Copies B and C of the completed W2-G should be given to the winner.

### **What does dual control mean?**

This is a control procedure whereby the active involvement of two people is required to complete a specified process. An example is all checks written out of the bingo account and all deposit slips must have two signatures. Checks and deposit slips are usually signed by the bingo manager or alternate bingo manager along with the bookkeeper or floor person.

### **What does segregation of duties mean?**

This is a basic key internal control that ensures a cross check of duties. Different employees should be performing different functions. For instance, the bookkeeper or preparer of the report must not be making the deposits or handling cash.