



Legislation Text

File #: 19-1533, **Version:** 1

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: October 23, 2019

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Office of Budget

EXECUTIVE: Elizabeth Reich

SUBJECT

A resolution approving the City's continued receipt of the City of Dallas' share of the cash bingo prize fees collected under the Texas Occupations Code - Estimated Revenue: \$170,450 annually (General Fund)

BACKGROUND

The State of Texas Bingo Enabling Act passed in 1983 allows municipalities to share in bingo gross receipts tax revenues which prior to this legislation were previously received only by counties. The City began receiving this revenue on November 1, 1983. The collection of the tax was undertaken monthly by the State and disbursed to the City.

In compliance with House Bill (H.B.) 914 passed by the 86th session of the Texas State Legislature, the City is required to:

1. Approve the continued receipt of the share of bingo prize fee funds by a majority vote;
2. Notify the Texas Lottery Commission (TLC) of that decision no later than November 1, 2019; and
3. Notify each licensed authorized organization within the City's jurisdiction of the continued imposition of the fee.

If the City has not voted and notified the TLC by November 1, 2019, the City will forfeit its right to continue receiving prize fees generated by bingo permanently.

Additionally, the revised regulation impacts the collection and remittance of prize fees. Effective January 1, 2020, local governments will no longer receive bingo prize fee payments from TLC at the end of the fiscal year. After January 1, 2020, licensed organizations conducting bingo will remit to the City, allocations up to 50 percent of the prize fees the charitable organizations collect payable on a quarterly basis. The TLC will create an administrative tool that will allow the City to track the number of licensed, authorized organizations that conduct bingo occasions. The City will now be responsible for ensuring remittance of the fees to the City from the licensed organizations.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 26, 1983, City Council approved Ordinance No. 18029, amending Chapter 44 of the Dallas City Code to levy a 1 percent Bingo Gross Receipts Tax on the conduct of bingo games in the City.

FISCAL INFORMATION

Estimated Revenue: \$170,450.00 (General Fund)