# Mississippi Charitable Bingo Regulations

## L. AUTHORIZED EXPENDITURES

Section 12. In order to insure that authorized bingo games are actually held for the benefit of a charitable organization, and that proceeds are expended for the purposes for which the organization was created, a charitable bingo licensee's authorized expenses may not exceed sixty percent (60%) of its adjusted gross receipts from bingo activities. The net adjusted gross receipts, remaining after authorized expenses, must be devoted to the specific purposes for which the organization was created. **Not less than sixty-five percent (65%) of the net adjusted gross receipts shall be expended for direct program services. For the purpose of this section, direct program services are grants, allocations, specific assistance to individuals and approved charitable services. Direct program services do not include administrative expenses or compensation of officers, directors, etc.**

Adjusted gross receipts are to be calculated by taking the licensee's gross receipts (all revenues received from bingo operations) and subtracting the amount paid out as prizes, and the amount of fees paid the Commission.

The authorized expenses which may be incurred by a charitable bingo licensee are set forth in Section 97-33-69 of the Mississippi Code, and in Section 6, 7, and 8 of this Regulation.

Every charitable bingo licensee must comply with the requirements of this provision ~~during its first full license year and each year thereafter~~ **at all times while in possession of a bingo license**. Failure to be in compliance with the requirements of this provision may be grounds for the Commission's refusal to renew **or revoke** a charitable bingo license after the licensee has had the opportunity to show cause why such action should not be taken.

When the commission conducts an audit of the charity and/or bingo books/records, the charity will provide sufficient private office space with table(s), chairs.

**Section 13.**

**To insure that all net proceeds derived from a bingo game authorized by the Charitable Bingo Law shall be expended only for the purposes for which the charitable organization is created, the Commission shall have the power to audit the flow of funds, whether gross proceeds or net proceeds, that are expended by the bingo licensee in support of the applicable charity activity. The Commission shall have the power to deny, suspend or revoke the license of the licensee or the application of the applicant, if the licensee or applicant fails**

**to comply with the provisions of this section (13). The provisions of this section shall not apply to:**

**I. A person or entity that has been issued a special license for conducting limited fund-raising bingo games for emergency financial relief under Section 97-33-59;**

**II. A charitable organization that otherwise meets the requirements of the charitable bingo law and regulations and is a religious organization which has been in existence for ten (10) years or longer, conducts its bingo sessions on premises owned by the religious organization and conducts its bingo sessions solely by active members of the organization, without any person or entity being compensated for operating the sessions;**

**III. A charitable organization that otherwise meets the requirements of the charitable bingo law and regulations and is a chapter or post domiciled in this state of a nationally chartered organization having a membership composed of former members of the military forces of the United States of America, or members of the Merchant Marine Veterans Association, and conducts its bingo sessions solely by active members of the organization, without any person or entity being compensated for operating the sessions.**

[Authority: §97-33-52, **§97-33-**57, **§97-33-**69, **§97-33-**107.]