

NEW IRS GUIDE HELPS CHARITY SPONSORS OF GAMING ACTIVITIES

WASHINGTON--The Internal Revenue Service has released a new guide to assist tax exempt organizations who conduct or sponsor gaming activities. Publication 3079, *Gaming Publication for Tax-Exempt Organizations*, will help organizations understand their federal requirements for income tax, employment tax, wagering tax and excise tax.

"Many tax exempt organizations that conduct or sponsor gaming activities don't understand their federal tax responsibilities," said Evelyn Petschek, Assistant Commissioner (Employee Plans and Exempt Organizations). "We developed this user friendly publication to be a valuable source of information for organizations that currently conduct gaming activities or plan to engage in such activities in the future."

The new publication contains chapters on such topics as record keeping, filing requirements, employment tax requirements, wagering and excise taxes and exempt organizations and private foundation status. "Our goal is to foster voluntary compliance through targeted education programs. It's better for both the taxpayer and the IRS to pursue this course of action, rather than conduct examinations or other methods of enforcement," said Petschek.

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Most states require that an organization be recognized by the IRS as exempt from federal income tax before issuing a licence to conduct gaming. IRS Publication 557, *Tax Exempt Status for Your Organization*, discusses the rules and procedures for organizations that seek to obtain recognition of exemption from federal income tax under section 501(a) of the Internal Revenue Code. The IRS recognizes almost 1.2 million organizations in the United States as tax exempt.

Both of these IRS publications are available to computer users through its Web site at www.irs.ustreas.gov. Forms and publications are also available by calling (toll- free) 1-800-TAX FORM (1-800-829-3676).

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