

**Illinois Department of Revenue  
Regulations**

**Title 86 Part 435 Section 435.190 Records; Audits**

**TITLE 86: REVENUE  
CHAPTER I: DEPARTMENT OF REVENUE**

**PART 435  
CHARITABLE GAMES ACT**

**Section 435.190 Records; Audits**

- a) *Each licensee must keep a complete record of charitable games conducted within the previous 3 years. Such record shall be open to inspection by the Department during reasonable business hours. (Section 10 of the Act)*
  
- b) Licensed organizations must keep all records and receipts this Part requires licensed organizations to maintain, whether or not those records and receipts must be filed with the Department. Organizations licensed to conduct charitable games shall keep any and all tax returns, contracts with providers and suppliers, and complete and accurate records issued to participants as set forth under Section 435.160(b)(1). In addition, the records must demonstrate that the entire net proceeds from charitable games are devoted to the lawful purposes of the organization as required under Section 8(1) of the Act. If an organization enters into an agreement with a consultant company, that agreement must be in writing and must be retained by the licensed organization and available for inspection by the Department. Suppliers shall keep all contracts with licensed organizations, lists of all charitable games equipment offered for sale, lease, loan, or distribution to organizations licensed to conduct charitable games, and copies of the licenses of organizations licensed to conduct charitable games. Providers shall keep all contracts with licensed organizations and copies of the licenses of organizations licensed to conduct charitable games. Licensed organizations shall keep any record or receipt pertaining to any charitable games event for at least three years after the event. All such records shall be available for inspection by representatives of the Department during reasonable business hours. Any and all records of any licensed organizations shall be subject to an audit by the Department without notice, performed at the premises where the charitable games event is conducted or at the office of the person or organization where the records are located. In the event of an audit by the Department, the person or organization being audited shall provide all such records, provide a place where the audit may be performed, and provide any requested information relevant to the conduct of the event.

- c) When the Department has information indicating that any person or organization licensed under the Act has not paid the full amount of tax due, has not provided the Department with accurate or complete information concerning revenues from charitable games events, or is using proceeds from charitable games events in an unlawful manner, *the Department may require the licensee to obtain from an Illinois certified public accounting firm, at the licensee's own expense, a certified and unqualified financial statement and verification of records of the licensee.* If required, this statement must be submitted to the Department within 90 days after notice is received by the licensed organization. *Failure to comply with this requirement may result in suspension or revocation of the licensee's license and forfeiture of all proceeds.* (Section 10 of the Act)

(Source: Amended at 39 Ill. Reg. 4454, effective March 10, 2015)