



Illinois Department of Revenue

Informational Bulletin

Brian Hamer
Director of Revenue

For information or forms...

- Call us at:
1 800 732-8866 or
217 782-3336
- Call our TDD
(telecommunications device
for the deaf) at:
1 800 544-5304
- Write us at:
Illinois Department of Revenue
P.O. Box 19044
Springfield, IL 62794-9044
- Visit our web site at:
tax.illinois.gov
- Call our 24-hour
Forms Order Line at:
1 800 356-6302

This bulletin is written to
inform you of recent changes;
it does not replace statutes,
rules and regulations, or court
decisions.

Cash Prize Restrictions and Limitations Information

To:

All charitable games licensees and applicants

The purpose of this bulletin is to clarify the restrictions and limitations on cash prizes awarded from charitable games. The specific criteria used to determine what constitutes a cash prize are defined.

What are the restrictions and limitations of cash prizes?

All charitable games approved through the Charitable Games Act must be played using chips, scrip, or play money. Cash may never be used to wager on any of the games. Upon completion of play, a participant may redeem his chips, scrip, or play money in exchange for prizes. A participant may not exchange his chips, scrip, or play money for a cash prize(s) exceeding \$250.00. There is no limit on the amount of noncash prizes.

What is considered a cash prize?

A cash prize is money, or an equivalent of money, that has a measure of value and is widely accepted as means of payment for goods or services.

Do gift cards and gift certificates qualify as a cash prize?

Some gift cards, such as Visa Gift cards, have wide-scale acceptance and would be considered a cash prize under the Charitable Games Act, and thus subject to the \$250.00 limitation. Gift cards and gift certificates accepted only at a single place of business, or at a chain of businesses, have limited acceptance and are not considered a cash prize unless the holder has the option to redeem the card or certificate for cash at the business.

Note: For further details regarding cash prizes, refer to the Charitable Games Regulations, Section 435.160.

Questions?

If you have questions or need more information, please call or write us. Our telephone numbers and address are printed on the left side of this bulletin.

