



STATE OF WASHINGTON
GAMBLING COMMISSION

"Protect the Public by Ensuring that Gambling is Legal and Honest"

Punch Board / Pull-Tab Licensee:

WAC 230-14-280, 230-14-285, and 230-14-290 require you to record your punch board and pull-tab activity for each month in a standard format prescribed by the Commission. Both charitable / nonprofit and commercial stimulant licensees are required to use this format. The record for each type of activity and each type of prize (i.e. machine pull-tabs, fishbowl pull-tabs, punch boards with merchandise prizes, etc.) shall be kept separately, covering all transactions occurring during a calendar month. Charitable / nonprofit organizations must complete the record no later than thirty (30) days following the end of each month. Commercial stimulant businesses must complete the record within fifteen (15) days of the end of each month and be available for audit or inspection the next day. This monthly record must be retained for three (3) years from the end of the fiscal year.

We have attached examples and blank copies of each record format you must use. **The blank copies are provided for your use to reproduce additional forms, as they are needed.** You should check your packet to ensure a blank copy of each form is included. The longer form (8.5 x 14) can be used with cash and / or merchandise prize games. The other form (8.5 x 11) is for use with cash only prize games.

WAC 230-14-295 allows monthly records to be stored in computer databases if:

- (a) Computer data base records are not the primary storage medium and all original input control documents supporting data maintained in computer data bases are retained by the licensee;
- (b) A "hard copy" report organizing the data maintained in the computer data base is generated for each month. This report must be completed and available for review no later than thirty (30) days following the end of the month.
- (c) An up-to-date "hard copy" report is provided within three (3) days upon request of Commission agents, law enforcement personnel, or local tax authorities;
- (d) Reports generated from the computer data base provides all data required by subsection (9) of this section; and
- (e) Reports generated from the computer data base organizes the required data in an order that approximates the standard format and does not impede audit;

WAC 230-14-110 requires you to keep a record of any cash prize of over twenty dollars (\$20.00) or merchandise prize with a retail value of more than twenty dollars (\$20.00). The information required must be recorded immediately. All winning pull tabs or punchboard punches must be retained and shall be made available to the Commission upon request with the rest of the un-played chances and game flare for that game. In addition to all other records, copies of purchase invoices for all boards or series in play or merchandise prizes used for the games must be kept on the premises. See WAC 230-14-110 and 230-14-260.

WAC 230-14-265 requires commercial stimulant licensees to retain pulled games for a least two months following the last day of the month in which it was pulled. In addition, a record of all winning punches and pull-tabs with a value of over \$20 must be retained an additional thirty (30) days beyond the two month retention time. Charitable / nonprofit licensees are required to retain pulled games for four (4) months following the last day of the month in which the device was removed from play.

New licensees should contact their local county or city treasurer regarding taxation of authorized gambling activities within your area, as specified in RCW 9.46.110. Most require some type of registration prior to commencement of your gambling activity(ies).

If you have any questions or need assistance, please call the Gambling Commission Regional Office in your area:

Everett: (425) 304-6300
Spokane: (509) 325-7900
Tacoma: (253) 671-6280

Lacey Headquarters Office:
(360) 486-3440 or (800) 345-2529

Attachments

P.O. Box 42400 • Olympia, Washington 98504-2400 • (360) 486-3440 • 1-800-345-2529 • TDD (360) 486-3637 • FAX (360) 486-3631

PUNCH BOARD / PULL-TAB MONTHLY RECORDS

EXAMPLE OPERATOR'S TAVERN

The three attached examples demonstrate how to use the Commission I.D. Stamps and record entry labels, the distributor's invoice as an inventory record, and how to prepare the prescribed monthly income summary. They are intended to familiarize you with the overall punch board and pull-tab accounting system.

Background Information on the Sample Licensee: The Operator's Tavern is a small business with a class "B" punch board / pull-tab license (gross gambling receipts up to \$100,000 per year). They operate pull-tabs from two fishbowls behind the bar and average five (5) combination cash and merchandise prize punch boards in play at any one time. The operator usually purchases punch boards and pull-tabs every two weeks or so from two distributors and maintains an inventory of 15 to 20 unplayed devices.

Example 1. – Recording a Pull-Tab Series:

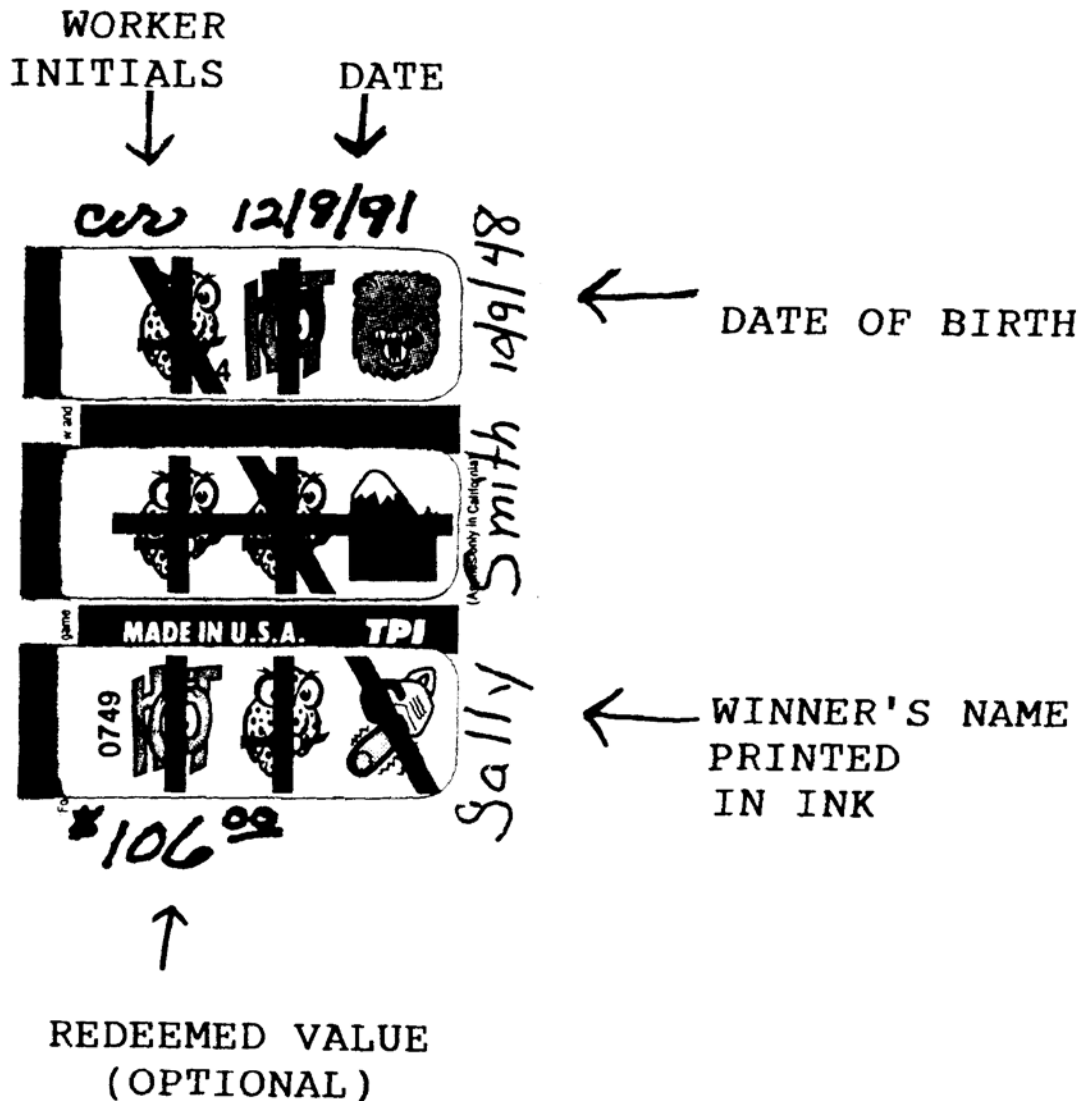
In this example, the operator is using the distributor's sales invoice to control inventory. A sample series is traced from the date the game was put in play as noted on the sales invoice (**See (1) on Attachment 4B**) to the date removed from play and recorded in the "Monthly Income Summary" (**See Attachment 2**). Note that the distributor must list on the invoice the I.D. stamp numbers for each game and enter each on a separate line. In this example, the operator is required to use one Records Entry Label (REL) on the invoice, noting when the series was placed into play, and another REL on the monthly income summary when it was removed from play. The RELs are located on the reverse side of the flare and can be peeled off for use on the invoice and monthly income summary. If the REL is missing or cannot be removed from the flare, handwrite the number on the appropriate documents. This particular invoice also involves the sale of a large quantity of punch boards / pull-tabs and the distributor is using the back of the invoice to record I.D. numbers. Operators should always refer to the back of invoices when numbers are not on the front.

Example 2. – A Pull-Tab Series Purchased and Returned to the Distributor for Exchange or Credit:

The item marked (2) shows the documentation required by both the distributor and the operator for the return of two pull-tab series. This example demonstrates the distributor recording a return on a normal sales invoice rather than a separate credit memo. The pull-tab series were originally purchased on 1/2/XX and recorded on invoice number 12728 (**See (2) on Attachment 3**) and returned on 1/16/XX on invoice number 12917 (**See (2) on Attachment 4A**). The distributor records the return as a credit toward the purchases being made on invoice number 12917. The distributor records the original sales invoice number and date of purchase on the new invoice. The operator records the return on the original invoice (number 12728), by entering the return invoice information in the "I.D. LABEL / NUMBER" column and the date returned in the "DATE IN PLAY" column. This completes the records trail for these devices and removes the requirement for further accounting for the devices by the operator.

Example 3. – Record of the Win

When any person wins a cash prize of over twenty dollars or wins a merchandise prize with a retail value of more than twenty dollars from the play of any punch board or pull-tab series, the licensee or licensee's representative shall make a record of the win. The winners shall be required to print their name and date of birth, in ink, upon the side of the winning punch or tab opposite the winning symbol(s). The licensee or their representative shall then verify the winner's identity and record the date and initial the winning punch or tab. If the pull-tab or punch is constructed or printed in such a manner as to preclude recording the information required in a legible manner, the licensee may record the required information on a sheet of paper not less than three inches by five inches and staple it to the winning tab or punch. An example record of the win is shown below. Refer to 230-14-100, 230-14-110, and 230-14-115.



TYPE OF DEVICE: TYPE OF PRIZE: DISPENSER:

Punch Boards Cash Machine
 Pull-Tabs Merch. Fish Bowl
 Mixed Spindle

WASHINGTON STATE GAMBLING COMMISSION
 Punch Board / Pull-Tab Monthly Income Summary

Licensee Name: OPERATOR'S TAVERN

Month: JANUARY

Year: 19XX

Washington State I.D. Stamp Number / Label	Name of Game Series Number	DATE In Play Out	COMPUTATION OF GROSS GAMBLING RECEIPTS					PRIZES PAID			CASH RECONCILIATION			
			(1) Size of Game	(2) Number of Unplayed Chances	(3) Number of Chances Played	(4) Cost Per Play	(5) Gross Gambling Receipts	(6) Cash Prizes Cost of Merch.		(7) Net Gambling Receipts	(8) Cost of Merch.	(9) Expected Cash Count	(10) Actual Cash Count	(11) Cash Over or (Short)
A000129	Surprise 7869	1-13 1-23	3000	650	2350	25¢	\$587 ⁵⁰		\$300 ⁰⁰	\$287 ⁵⁰	\$300 ⁰⁰	\$587 ⁵⁰	\$582 ⁷⁵	(\$4 ²⁵)
A000172	Fishing Poles 71925	1-8 1-25	2500	-	2500	10¢	250 ⁰⁰	25 ⁰⁰	125 ⁰⁰	100 ⁰⁰	125 ⁰⁰	225 ⁰⁰	225 ⁰⁰	0
A000199	Chain Saws 41682	1-17 1-26	4000	387	3613	50¢	1806 ⁵⁰		1200 ⁰⁰	606 ⁵⁰	1200 ⁰⁰	1806 ⁵⁰	1806 ⁵⁰	0
10133926	Tenko Toys 4325	1-17 1-30	5000	1162	3838	25¢	959 ⁵⁰		438 ⁶²	520 ⁸⁸	438 ⁶²	959 ⁵⁰	950 ⁰⁰	(9 ⁵⁰)
<p>NOTE: When dealing with merchandise prizes only, the Gross Receipts (5) and Actual Cash (10) will be the same, + or - any overages or shortages.</p> <p>Remember, you only award merchandise while the series was out for public play. You did not award any of the Gross Receipts back as prizes.</p> <p>If operating a combination merchandise / money series, your Actual Cash (10) will be the Gross Receipts (5) minus Cash Prize (6) awarded. Net Receipts (7) are Gross Receipts (5) minus both Cash and Merchandise Prizes (6) awarded.</p>														
			TOTALS (12) \$3603 ⁵⁰ \$25 ⁰⁰ \$2063 ⁶² \$1514 ⁸⁸ \$2063 ⁶² \$1514 ⁸⁸ \$3578 ⁵⁰ (\$14 ²⁵)											

NOTE: Instructions are on the back of this form. If you have questions, contact your local Special Agent.

ATTACHMENT 1

AJAX DISTRIBUTING, INC.

123 MAIN STREET
 ANYPLACE, WA 99999
 PHONE: 456-7890

NO.: 12728

CUSTOMER NAME: Operator's Tavern PHONE: (123) 689-3210
 STREET ADDRESS: 321 First Street
 CITY: Anyplace STATE: WA ZIP: 99999

SALESMAN: Jerry DISCOUNT TERMS: Case Lot 5% PAYMENT BY: CASH CHECK DATE ORDERED: 1/2/XX DATE DELIVERED: 1/2/XX

DATE IN / RETURNED	WSGC I.D. STAMP # WSGC I.D. STAMP LABEL	NAME OF GAME	PB PT	FORM # SIZE	UNIT PRICE	TOTAL SALES
1/9/XX	10133877 10133877	(1) Case Bingo	6	431 2640	25	150
1/14/XX	10133878 10133878					
2/4/XX	10133879 10133879					
2/16/XX	10133880 10133880					
(2) 1/16/XX	10133881 (TO BE ENTERED BY THE OPERATOR)	Returned see invoice # 12917 Dated 1/16/XX (Attachment 4A)				
1/16/XX	10133882 (TO BE ENTERED BY THE OPERATOR)					
1/2/XX	10133921 10133921	Kutor Kolors	5	400 hole	1.95	9.75
1/12/XX	10133922 10133922					
1/20/XX	10133923 10133923					
	10133924 (TO BE ENTERED BY THE OPERATOR)					
	10133925 (TO BE ENTERED BY THE OPERATOR)					
	(TO BE ENTERED BY THE OPERATOR)					

RECEIVED BY: Mary Operator NOTES:

SUB-TOTAL	159.75
DISCOUNT AMT.	(2.99)
SALES TAX	12.14
TOTAL SALE	163.90

NO.: _____ CHECK # N/A







AJAX DISTRIBUTING, INC.

123 MAIN STREET
ANYPLACE, WA 99999
PHONE: 456-7890

NO.: 12917

CUSTOMER NAME: Operator's Tavern PHONE: (123) 689-3210
 STREET ADDRESS: 321 First Street
 CITY: Anyplace STATE: WA ZIP: 99999

SALESMAN: Jerry DISCOUNT TERMS: Case Lot 7 1/2% PAYMENT BY: CASH CHECK DATE ORDERED: 1/16/XX DATE DELIVERED: 1/16/XX

DATE IN / RETURNED	WSGC I.D. STAMP # WSGC I.D. STAMP LABEL	NAME OF GAME	PB PT	FORM # SIZE	UNIT PRICE	TOTAL SALES
2/2/XX	9471610 NO LABEL (TO BE ENTERED BY THE OPERATOR)	Black Gold	3	2400	22 -	660 -
2/6/XX	9471611 NO LABEL (TO BE ENTERED BY THE OPERATOR)	↓				
	9471612 NO LABEL (TO BE ENTERED BY THE OPERATOR)					
2/2/XX	10133883  10133883		Red Hots	6	2400	25 -
2/7/XX	10133884  10133884	↓				
2/12/XX	10133885  10133885					
2/18/XX	10133886  10133886					
2/21/XX	10133887  10133887					
2/28/XX	10133888  10133888					
(2) Returned (see Invoice #12728 1/2/XX)	10133881 - 882 (TO BE ENTERED BY THE OPERATOR)	Bingo	2		25 -	(50 -)
I.D. NUMBERS LISTED ON BACK	10133872 - 875 (TO BE ENTERED BY THE OPERATOR)	Super X	4	2400	25 -	100 -
	10133899 - 906* (TO BE ENTERED BY THE OPERATOR)	Bingo	8	2400	26 -	208







RECEIVED BY: Mary Operator NOTES: Discount - More than 3 cases - 7 1/2%

	SUB-TOTAL	474 -
	DISCOUNT AMT.	(35 55)
	SALES TAX	35 08
	TOTAL SALE	473 53

NO.: CHECK # 4721

REVERSE SIDE OF INVOICE # 12917

(1)

COMMISSION I.D. LABEL / NUMBER (To Be Entered by the Operator)	DATE IN PLAY	WA STAMP #	COMMISSION I.D. LABEL / NUMBER (To Be Entered by the Operator)	DATE IN PLAY	WA STAMP #
1.  10133872	1/8/XX	10133 872	26.		
2.  10133873	2/8/XX	873	27.		
3.		874	28.		
4.		875	29.		
5.  10133899	2/4/XX	10133 899	30.		
6.  10133900	2/9/XX	900	31.		
7.  10133901	2/16/XX	901	32.		
8.  10133902	2/25/XX	902	33.		
9.		903	34.		
10.		904	35.		
11.		905	36.		
12.		906	37.		
13.			38.		
14.			39.		
15.			40.		
16.			41.		
17.			42.		
18.			43.		
19.			44.		
20.			45.		
21.			46.		
22.			47.		
23.			48.		
24.			49.		
25.			50.		

ATTACHMENT 4B

FORGERY GUIDELINES

This document was prepared for anyone involved in the sales and/or record keeping of pull tabs. Place this near your pull tab area where employees may review it or refer to it. Passing a fraudulent ticket may be a violation of 9A60.020 Forgery (class C felony) and/or RCW 9.46.196 Cheating (gross misdemeanor to class C felony).

Behavior indicators – Any one of the below may indicate a problem:

- A person who is not a regular customer comes in and puts a few dollars in a bowl. He/She later comes back, puts a few more dollars in the same bowl, and wins big.
- While playing pull tabs, a person or his/her companion leaves momentarily to go outside or to the restroom. Shortly after returning, a big winner is presented.
- The person presenting the tab is a fairly new regular customer who may have made an effort to get to know you quickly. The person is hoping you will not check the secondary win code or ask for picture ID.
- A person or his/her companions present more than one big winner on a particular game within a relatively short period of time.
- A person appears anxious or nervous when presenting a winner. Do not allow the player to pressure you into paying him/her immediately. Take your time and slow down the redemption process, being sure to perform each step.

These are by no means the only indicators that something is wrong. You will probably be too busy to watch all of your patrons, but use your gut feelings. If someone seems extremely lucky, it probably isn't luck.

Prevention/Detection:

Following proper procedures is the most important thing you can do to prevent forgeries. Verifying the secondary win code is the BEST step in preventing forgeries. The Gambling Commission steps for redeeming winning tickets should be followed, regardless of how well you know the player.

	YES	NO *
Does the series number on the ticket agree to the series number on the flare?	_____	_____
Does the secondary win code match the master for the game?	_____	_____
Does the tab appear like it was just dispensed and not damp, tattered or worn?	_____	_____
Are the edges of the pull tab even, not overlapping?	_____	_____
Is the tab smooth and consistent in thickness?	_____	_____

If you answer **NO** to any of the above questions, you *might* have a forgery or a defective game. If you are not sure the tab is good, do not pay the winner. You can always pay the winner later, once the tab has been verified.

What to do:

- Keep the tab! .This is your only evidence, so don't give it back!
- Get picture ID from the person and write down their full name, date of birth, driver's license number, and current address. If the person does not show you picture ID, this is a good indication that there is something wrong, regardless of how good their excuse might be. Explain that you must see picture ID.
- Tell the customer you must retain the ticket and delay payment of the prize until the ticket has been verified as a legitimate winner. You can offer to issue a "receipt" to the player for the retained ticket in lieu of the prize until the ticket has been verified
- Try to get the person's vehicle license number.
- Preserve the evidence by pulling the game and putting it in a secure location, along with the tab in question. Immediately document the description of the person and the incident, while it is fresh in your mind.
- Contact your local Gambling Commission Agent.

Computation of 60% Minimum Payout

Size of Game (# of chances)		_____
Cost Per Play		_____
Potential Gross Receipts		_____
60% Payout Requirement	x	_____ .60
Required Minimum Prizes		_____ (A)
Licensee's Cost of Merchandise Prizes		_____
Mark-up to Retail Value (Actual cost plus 50%) ** Maximum markup for merchandise prizes	x	_____ 1.5
Cash Prizes Available	+	_____
Total Value of Prizes Available	=	_____ (B)

(B) Must Be > Than (A).

**** The maximum marked up value for a merchandise prize is \$2500. If an individual prize is greater than \$2500 after a 50% markup, the operator may only use the value of \$2500 in computing the value of prizes for the 60% payout calculation.**

PUNCH BOARD / PULL-TAB MONTHLY INCOME SUMMARY INSTRUCTIONS

NOTE: You must use a separate "Monthly Income Summary" sheet for each type of activity and each type of prize: i.e. machine pull-tabs, fishbowl pull-tabs, punch boards with merchandise prizes, and punch boards with cash prizes, etc.

The numbered instructions below correspond to the numbers above or adjacent to the items printed on the face on this form. If you require assistance or have questions, please contact the Special Agent assigned to your area or Financial Reporting Services at (800) 345-2529 or (360) 486-3440.

- (1) **SIZE OF GAME:** The total number of punches or pull-tabs available from the board or series prior to being placed in play. You should find this amount recorded on the flare for pull-tabs or on the back of the punch boards.
- (2) **NUMBER OF UNPLAYED CHANCES:** The total number of punches or pull-tabs that remain unplayed when the device is removed from play. **NOTE:** This amount can only be determined by actual count.
- (3) **NUMBER OF CHANCES PLAYED:** The "Size of Game" less "Number of Unplayed Chances". For Gambling Commission purposes, "Number of Chances Played" means all chances that are removed or missing from the series or board. These chances are assumed to be played whether they were sold, lost, stolen, or are otherwise unaccounted for.
- (4) **COST PER PLAY:** The price to play a single chance from the board or series. **NOTE:** The price must be posted on the flare and cannot be changed once the device is placed out for play.
- (5) **GROSS GAMBLING RECEIPTS:** The number of chances (tabs or punches), recorded in the "Number of Chances Played" column, multiplied by the amount in the "Cost Per Play" column (see WAC 230-14-280 for definition of gross gambling receipts).
- (6) **PRIZES PAID:** The value of all cash prizes and the actual out-of-pocket cost to the operator of all merchandise awarded as prizes for a particular board or set. Any merchandise purchased for prizes that is not awarded as a prize for a game should not be included on this record or on the activity report submitted to the Commission. **NOTE:** Refer to WAC 230-14-265 for the required retention period for winning punches and pull-tabs.
- (7) **NET GAMBLING RECEIPTS:** "Gross Gambling Receipts" less all cash prizes and cost of merchandise prizes actually awarded.
- (8) **COST OF MERCHANDISE:** The actual cost to the operator of all merchandise awarded as prizes for a particular board or set and is the same amount of merchandise prizes entered in the "Prizes Paid" column. This column is used only to assist in the cash reconciliation portion of the records. To properly reconcile cash, "Net Gambling Receipts" needs to be increased by the cost of merchandise prizes.
- (9) **EXPECTED CASH COUNT:** The "Net Gambling Receipts" plus the actual cost of merchandise prizes awarded equals the amount of cash the operator should have under ideal conditions.
- (10) **ACTUAL CASH COUNT:** The actual cash on hand, per count, when each individual board or set is removed from play. When only cash prizes are awarded, this amount should reasonably agree with "Net Gambling Receipts".
- (11) **CASH OVER OR (SHORT):** The difference between "Expected Cash Count" and "Actual Cash Count". This difference could be due to miscounts, stolen or lost punches or tabs, or inadvertent mixing of cash between different boards or sets. Substantial amounts (either over or short) recorded in this column are an indication of problems with dispensing machines, manufacturer errors, and / or accounting controls and should be investigated. **NOTE:** This amount has no effect on "Gross Gambling Receipts" and must not be used to adjust gross receipts. It is an expense of operating the activity and must be reported on your quarterly activity report.
- (12) **TOTALS:** Each column containing amounts must be summed and these totals should then be combined with the totals from other pages of monthly summaries for similar activities during a month. The monthly totals must be combined quarterly and the total amounts entered on the appropriated lines of your quarterly activity report.

PUNCH BOARD / PULL-TAB MONTHLY INCOME SUMMARY INSTRUCTIONS

NOTE: You must use a separate "Monthly Income Summary" sheet for each type of activity and each type of prize; i.e. machine pull-tabs, fishbowl pull-tabs, punch boards with merchandise prizes, and punch boards with cash prizes, etc.

The numbered instructions below correspond to the numbers above or adjacent to the items printed on the face on this form. If you require assistance or have questions, please contact the Special Agent assigned to your area or Financial Reporting Services at (800) 345-2529 or (360) 486-3440.

- (1) **SIZE OF GAME:** The total number of punches or pull-tabs available from the board or series prior to being placed in play. You should find this amount recorded on the flare for pull-tabs or on the back of punch boards.
- (2) **NUMBER NOT SOLD:** The total number of punches or pull-tabs that remain unplayed when the device is removed from play. **NOTE:** This amount can only be determined by actual count.
- (3) **NUMBER PLAYED:** The "Size of Game" less "Number Not Sold". For Gambling Commission accounting purposes, "Number Played" means all chances that are removed or missing from the series or board. These chances are assumed to be played whether they were sold, lost, stolen, or otherwise unaccounted for.
- (4) **COST PER PLAY:** The price to play a single chance from the board or series. **NOTE:** The price must be posted on the flare and cannot be changed once the device is placed out for play.
- (5) **GROSS GAMBLING RECEIPTS:** The number of chances (tabs or punches), recorded in the "Number Played" column, multiplied by the amount in the "Cost Per Play" column (see WAC 230-14-280 for definition of gross gambling receipts).
- (6) **CASH PRIZES:** The value of all cash prizes. If you are awarding merchandise prizes, use the appropriate form. **This form is for cash only prizes.** **NOTE:** All winning punches or tabs must be retained by the operator for at least four months following the last day the device was out for play.
- (7) **NET GAMBLING RECEIPTS:** "Gross Gambling Receipts" less "Cash Prizes".
- (8) **ACTUAL CASH COUNT:** The actual cash on hand, per count, when each individual board or set is removed from play. This amount should reasonably agree with "Net Gambling Receipts".
- (9) **CASH OVER OR (SHORT):** The difference between "Net Gambling Receipts" and "Actual Cash Count". This difference could be due to miscounts, stolen or lost punches or tabs, or inadvertent mixing of cash between different boards or sets. Substantial amounts (either over or short) recorded in this column are an indication of problems with dispensing machines, manufacturer errors, and / or accounting controls and should be investigated. **NOTE:** This amount has no effect on "Gross Gambling Receipts" and must not be used to adjust gross receipts. It is an expense of operating the activity and must be reported on your quarterly activity report.
- (10) **TOTALS:** Each column with a total must be summed and these totals should then be combined with the totals from other pages of monthly summaries for similar activities during a month. The various monthly totals must be combined quarterly and the total amounts for the quarter entered on the appropriated lines of your quarterly activity report.

