

880.0016 Bingo. Revenue and Taxation Code Section 215.2 permits the conduct of certain bingo games on property that otherwise qualifies on the basis of a charitable or religious use and ownership by a qualifying organization. Bingo can only qualify as a secondary activity, and that activity must conform to the provisions of Penal Code Section 326.5. Although there is no duty on the assessor's part to ascertain conformance to the Penal Code, exemption should not be granted in any city or county that has not adopted a local ordinance which authorizes the conduct of bingo games. In nonauthorizing localities, the guidelines of the May 26, 1976, Letter to County Assessors, No. 76/94, are still applicable. LTA7/14/77 (No. 77/100).



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July 14, 1977

TO COUNTY ASSESSORS:
No. 77/100

WELFARE EXEMPTION: CONDUCT OF BINGO GAMES

On July 7, 1977, Assembly Bill No. 101 was signed by the Governor and chaptered as No. 271, statutes of 1977. Section 2 of this measure adds new section 215.2 to the Revenue and Taxation Code:

215.2. Property owned by an organization that satisfies the requirements of Section 215, 215.1, or 215.1 and which is used primarily for exempt purposes shall not be denied the welfare or veterans organization exemption because such property is also used for conducting bingo games pursuant to Section 326.5 of the Penal Code, provided that the proceeds from such games are used exclusively for the charitable purposes of such organization.

For purposes of the welfare exemption, this section now permits the conduct of certain bingo games on property that otherwise qualifies on the basis of a charitable or religious use and ownership by a qualifying organization. Bingo can only qualify as a secondary activity and that activity must conform to the provisions of Section 326.5 of the Penal Code. Although there is no duty on the assessor's part to ascertain conformance to the Penal Code, exemption should not be granted in any city or county that has not adopted to a local ordinance which authorizes the conduct of bingo games. In non-authorizing localities the guidelines of Letter to County Assessors, No. 76/94, or May 26, 1976, are still applicable.

Section 4 of AB 101 contains the urgency clause which provides that the act shall go into immediate effect. Our legal staff has advised that welfare exemption findings for 1977-78 are subject to the new section. Certain properties of portions of property that are now eligible for total exemption may have previously received findings of ineligibility for this year. In order to effect the new provisions regarding these properties, please forward a new field inspection report to Mr. William L. Grommet of this Division so that amended findings can be issues to the appropriate taxpayers.

Sincerely,

Jack F. Eisenlauer, Chief
Assessment Standards Division