

Reps. Elkins, Sak, Gillard, Meisner, Murphy, Sheltroun, Byrum, Gaffney, Tobocman, Caul, Anderson, Pumford, McConico, Hune, LaJoy, Condino, Bieda, Moolenaar, Plakas, Richardville, Gleason, Garfield, Milosch, Casperson, Ward, Brown, Farhat, Farrah, Jamnick, Kolb, Law, Lipsey, Minore, Reeves, Rivet, Shackleton, Stallworth, Waters and Zelenko offered the following resolution:

**House Resolution No. 70.**

A resolution to memorialize the Congress of the United States to amend the Internal Revenue Code to make all games of chance conducted by 501(c) organizations tax exempt.

Whereas, Charitable, philanthropic, and mutually beneficial organizations operating as tax exempt entities under section 501 of the Internal Revenue Code contribute to our society in many ways. These groups enrich community life, encourage high standards of citizenship, and meet needs beyond governmental responsibility. State and federal tax policies help to foster this component of our national character; and

Whereas, The Internal Revenue Code provides tax exemptions for groups commonly referred to as "501(c) organizations" for a variety of activities, including proceeds from bingo games that meet set standards. This fund-raising tool is a revenue lifeblood for many groups. However, other types of games of chance are not tax exempt. This inconsistency is harmful. Since many of these types of organizations do not realize that some games of chance are not exempt, the organizations may be unknowingly breaking the law. Considerable confusion can surround the reporting requirements even for groups that understand the law and are trying to comply; and

Whereas, Most importantly, groups committed to service within our society use games of chance as a major source of financial support to enable them to carry out worthwhile projects. This service should be encouraged as much as possible and not restricted by nuances of the Internal Revenue Code. The more clarity brought to the often baffling provisions regarding tax exempt groups, the better for society; now, therefore, be it

Resolved by the House of Representatives, That we memorialize the Congress of the United States to amend the Internal Revenue Code to make all games of chance conducted by 501(c) organizations tax exempt. We urge that this exemption be made retroactive; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.