

LG1012 Worksheet - Lawful Purpose Rating

Organization name _____ License number _____

For July, the amount in Col. G will equal the amount in Col. F. Do not round up the % amount in Col. H

	A	B	C	D	E	F	G	H
Month/Year	Gross profits this month G1, line 10c	Col. C from last month	Gross profits total to date Col. A + Col. B	Taxes and fees this month G1, line 15	Lawful purpose this month G1, line 43	Total LPE this month Col. D+E	Lawful purpose to date Col. F plus Col. G last month	% of gross profit to date Col. G divided by Col. C
Jul/2011		- 0 -						
Aug/2011								
Sep/2011								
Oct/2011								
Nov/2011								
Dec/2011								
	Gross profits this month G1, line 8C	Col. C from last month	Gross profits total to date Col. A + B			Total LPE this month G1, line 19	Lawful purpose to date Col. F plus Col. G last month	% of gross profit to date Col. G divided by Col. C
Jan/2012								
Feb/2012								
Mar/2012								
Apr/2012								
May/2012								
Jun/2012								

Keep this optional worksheet with your records. Do not send it to the Gambling Control Board or the Department of Revenue.

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12-month period - For each 12-month period beginning July 1, a licensed organization will be evaluated by the Gambling Control Board to determine a rating based on the percentage of annual gross profits spent on lawful purpose expenditures.

Rating - The rating will be used to determine the organization's profitability percentage.

It is not a rating of its overall lawful gambling operation.

Organizations will be evaluated according to the following criteria.

% Spent on Lawful Purpose*	Rating
more than 50%	5 star 
more than 40%	4 star 
more than 30%	3 star 
more than 20%	2 star  One year automatic probation
less than 20%	1 star  One year automatic probation

Probation - An organization that fails to expend a minimum of 30% of gross profits on lawful purposes each year (July to June) is automatically on probation effective July 1 for one year. The organization must increase its rating to a minimum of 30% or be subject to sanctions by the Board.

EXCEPTION: An organization that only conducts lawful gambling in a location where the primary business is bingo (bingo hall) must expend a minimum of 20% of gross profits on lawful purposes each year (July to June).