

Reps. Casperson, Shaffer, Emmons, Robertson, Moore, Ball, Caul, Cushingberry, Elsenheimer, Farhat, Green, Jones, LaJoy, Lemmons, III, Lemmons, Jr., Marleau, Mortimer, Pastor, Polidori, Proos and Sheltroun offered the following resolution:

House Resolution No. 106.

A resolution to memorialize the Congress of the United States to make proceeds from all games of chance operated by 501(c) charitable organizations tax exempt.

Whereas, Charitable, philanthropic, and mutually beneficial organizations operating as tax exempt entities under section 501(c) of the Internal Revenue Code contribute to our society in a host of ways. These groups enrich community life, encourage high standards of citizenship, and meet needs that are outside the realm of governmental ability or responsibility. Clearly, state and federal tax policy is designed to help foster this component of our national character; and

Whereas, The Internal Revenue Code provides a variety of tax exemptions for groups commonly referred to as "501(c) organizations." These include exemptions for proceeds from bingo games that meet certain specified standards. This fundraising tool, in particular, is a revenue lifeblood for many groups. Other types of games, however, are not exempt and this inconsistency is harmful. Since many of these groups do not realize that their fundraising activities may be taxable, these organizations may unknowingly be breaking the law. Considerable confusion can surround the reporting requirements even for groups that understand the law and make every effort to be in compliance; and

Whereas, Most importantly, groups committed to service within our society utilize 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 be restricted by the vagaries of the Internal Revenue Code. Indeed, the more clarity brought to the often baffling tax provisions involving tax-exempt organizations, 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 proceeds from all games of chance conducted by 501(c) organizations tax exempt; 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.