
State of South Carolina
Department of Revenue
301 Gervais Street, P. O. Box 125, Columbia, South Carolina 29214

SC INFORMATION LETTER #97-22

SUBJECT: ADMINISTRATIVE PRONOUNCEMENT
Video Game Machines - Bingo

DATE: November 24, 1997

SUPERSEDES: All previous documents and any oral directives in conflict herewith.

REFERENCE: S. C. Code Ann. Section 12-21-2772 et. seq. (Supp. 1996)
S. C. Code Ann. Section 12-21-3930 (Supp.. 1996)

AUTHORITY: S.C. Code Ann. Section 12-4-320 (Supp.. 1996)
SC Revenue Procedure #97-8

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VIDEO GAME MACHINES WITH BINGO GAMES

Recently, questions have arisen as to whether video games machines as defined in Code Section 12-21-2772(6) are permissible in South Carolina when they allow the play of the game of bingo.

Article XVII, Section 7, of the South Carolina Constitution states:

No lottery shall ever be allowed or be advertised by newspapers, or otherwise, or its tickets be sold in this State. The game of bingo, when conducted by charitable, religious, or fraternal organizations exempt from federal income taxes or when conducted at recognized annual State and county fairs, shall not be deemed a lottery prohibited by this section.

Code Section 12-21-3930 of the Bingo Act of 1996 addresses this issue and states in part that “[t]he game of bingo is not a lottery when . . . the game is conducted in accordance with the provisions of Sections 12-21-3990 and 12-21-4000 and approved cards are used.”

The above referenced code sections describe the manner in which bingo must be played by the nonprofit organization and promoter operating the game. In addition, such games must use paper cards meeting the requirements of the statute.

Based on the above, it has been the longstanding administrative policy of the department that bingo played on a video game machine would not be permissible since it is not played in accordance with the Bingo Act of 1996. In addition, bingo played on video game machines would constitute a lottery. See Code Section 12-21-3930.