

Bingo Structure

The tax on state licensed bingo operations is based on a multitiered licensing structure. There are three classes of bingo licenses, each of which has a different tax rate.

Each licensee's tax rate is based on bingo receipts. Class A licensees generally obtain a license for recreational and social purposes, returning all gross receipts to the players in prizes. Class A licensees cannot exceed \$15,600 per year in gross receipts and they are taxed at 2.5 percent of their adjusted gross receipts. That is the amount left, if any, after paying prizes.

Class B and Class C licensees are dedicated to raising funds for their sponsoring charitable organizations. They are taxed on their gross receipts, not their adjusted gross receipts. Class B licensees, whose gross receipts do not exceed \$300,000, are taxed at 1.5 percent. Class C licensees, whose gross receipts exceed \$300,000 per year, are taxed at 2 percent of their gross receipts. All taxes collected from bingo licensees are deposited into the state general fund.

The Bingo Section office can be reached at:

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