

JULY 30, 1993

A number of issues in need of clarification have come to the attention of the Division of Gaming:

Tip Boxes

Colorado Revised Statutes, section 12-47.1-820, reads in pertinent part as follows:

All such tips or gratuities shall be immediately deposited in a lockbox reserved for that purpose, accounted for, and placed in a pool for distribution based upon criteria established in advance by the licensed retailer.

A tip box, used solely for this purpose, must be located on every blackjack and poker table. Dealers may not stack their tips up and deposit them in a single tip box at the end of their table shift. All tips must be immediately deposited in the tip box located on the table.

Power Failures in Casinos

In the event of a power failure in a casino, all table games must be shut down until power is restored and the surveillance system is fully operating. Should the power or surveillance system shut down, it is proper to complete the hand in play before table play is stopped. The games may only commence if power has been restored, or if the establishment is equipped with a back-up generator able to fully operate all surveillance systems.

Operations at the casino cashier's cage may continue, but casinos are required to station a security person at the cage to monitor all transactions and each transaction must be logged and signed by the gaming patron.

W2-G Forms

Federal regulations require a W2-G form to be completed for each payout of \$1,200 or more. This applies to the total amount of the jackpot. Some casinos

have been in error by not issuing the W2-G when, for example, the slot machine pays \$700 on a \$1,500 jackpot and the remaining \$800 is hand-paid. This is a \$1,500 payout and a W2-G must be issued. It does not matter how much of the jackpot is paid by the machine and how much is paid by the house; it is the total amount of the payout that determines if a W2-G should be issued.

Some establishments have been listing the total amount of the jackpot on the Jackpot\Fill slips. This slip is to be used only for the amount of the jackpot paid from the cashier's cage (hand-paid portion). If you find it necessary to include the total amount of the jackpot on this form, the only acceptable place to list this amount is in the box marked W2-G Issued? This should only be used as an internal accounting tool.

The jackpot payout/fill slip is the support for the amount indicated in calculating AGP; therefore, the slip must show the amount of the hand- paid portion whether or not state and federal taxes are withheld.