

# Lawful Purpose Expenditures A Code Summary

This one-page chart lists the lawful purpose expenditures that are allowed, and the codes to use when reporting these expenditures. Refer to the A code information for restrictions not noted in this chart.

**Charitable contributions** are defined as lawful purpose codes A1 to A7, A10 to A15, & A19.

- A1** To and by 501(c)(3) organizations or 501(c)(4) festival organizations.
- A2** Relieving the effects of poverty, homelessness, or disability.
- A3** Program for education, prevention, or treatment of problem gambling.
- A4** Funding a public or private nonprofit education institution registered with or accredited by Minnesota or any other state.
- A5** Scholarships.
- A6**
  - Recognition of military service (open to the public).
  - Active military personnel in need.
- A7** Activities and facilities benefiting youth under age 21.
- A8** Payment of local, state, and federal taxes on receipts from lawful gambling.
- A9** Real estate taxes and assessments on gambling premises:
  - owned by a licensed organization (includes veterans organizations), or
  - wholly leased by a licensed 501(c)(19) veterans organization.
- A10**
  - Contributions to the United States, state of Minnesota, or any of its subdivisions or agencies or instrumentalities (except a direct contribution to a law enforcement or prosecutorial agency).
  - A fund administered and regulated by a city or county (for lawful purposes).

- A11** To and by a nonprofit organization which is a church or a body of communicants.
- A12** Water quality testing for public waters, provided that the MPCA has approved the project.
- A13**
  - Wildlife management project that benefits the public-at-large, provided that the DNR has approved the project.
  - Costs related to grooming and maintaining snowmobile or all-terrain vehicle trails that are grant-in-aid trails, or other trails open to public use, provided that DNR has approved the project.
  - Supplies and materials for safety training and education programs coordinated by the DNR.
- A14** Conducting nutritional programs, food shelves, and congregate dining programs primarily for persons who are age 62 or older or disabled.
- A15** To community arts organizations or expenditures to fund arts programs in the community.
- A16** Utility costs (fuel for heating, water, electricity, and sewer costs) for building wholly owned or wholly leased by licensed veteran or fraternal organizations and used as their primary headquarters (if portion leased out, percentage for primary headquarters allowed with GCB Director approval).
- A17** Meals and other membership events of licensed veterans organizations, limited to members and spouses only, held in recognition of military service (limit \$5,000 per year for all organizations at post home).

- A18** Fees paid to the state for organization license, premises permits, and gambling manager license.
- A19** Recognizing humanitarian service demonstrated through volunteerism or philanthropy.
- A20** Contribution to another licensed organization, with Board approval.
- A21** Contribution to a parent organization that has received prior Board approval.

### Real Property/Capital Assets

- A22** Repair, maintenance, or improvement of owned real property and capital assets, or replacement of owned capital asset that is no longer repairable, subject to annual limit.
- A23** Acquisition or improvement of capital assets (excluding real property) used exclusively for lawful purpose, with a cost greater than \$2,000, with Board approval.
- A24** Acquisition, erection, improvement, or expansion of real property used exclusively for lawful purpose, with Board approval.
- A25** Erection or acquisition of comparable building to replace building destroyed or made uninhabitable due to fire or catastrophe, or taken or sold under eminent domain proceeding, with Board approval.
- A26** Contribution to non-licensed 501(c)(19) organization that is not affiliated with contributing organization and whose owned or leased property is not a permitted premises.