**Section 430.140 Providers Licenses**

a) Any person or organization, except a city, village or incorporated town, owning or leasing premises on which another organization intends to conduct bingo must have a providers license authorizing that person or organization to furnish the premises for the conducting of bingo. However, a providers license is not required for any premises on which organizations intending to conduct bingo also have their office or headquarters, or on which they regularly further the purposes for which they were organized.

b) Applications. Application for a providers license must be made on the form prescribed by the Department, and must be accompanied by a license fee of $200 in the form of a certified check or money order payable to the Illinois Department of Revenue. Each providers license is valid for one year from its date of issuance.

c) Rents. A person or organization holding a providers license may charge as rent an amount not exceeding the reasonable, allowable expenses incurred during the license year in providing the premises for the conducting of bingo. Based on the expenses documented by the licensed provider, the Department will determine the maximum rent that may be charged organizations conducting bingo on the provider's premises.

1) Allowable expenses are as follows:

A) The licensed provider's rental or mortgage payments, including real estate taxes and insurance. If less than the entire premises is to be used for bingo, the allowable rental or mortgage expense shall be that percentage of the total rental or mortgage expense equalling the percentage (in terms of square footage) of the entire premises which is used for bingo;

B) The cost of utilities, including payments for gas, electricity, telephone and water. If less than the entire premises is to be used for bingo, the allowable utilities expense shall be that percentage of the total utilities expense equalling the percentage (in terms of square footage) of the entire premises which is used for bingo;

C) The cost of equipment, including furniture, used for bingo. The cost of any single item of equipment for a license year shall be the total cost of the equipment divided by the number of years the equipment can be expected to be used. If any item of equipment is not used exclusively for bingo, the allowable expense for the item shall be that percentage of the expense for the item equalling the percentage of the time the item is used for bingo;

D) The cost of providing security for the premises;

E) The cost of salaries and wages paid to managerial, secretarial, custodial, and maintenance personnel for services related to the provision of the premises for bingo;

F) The cost of any other items or services which are necessary to the use of the premises for bingo.

2) The costs of providing security and transportation for patrons of bingo games are not allowable expenses for the provider of the premises.

3) In determining the rent that a licensed provider may charge, the Department will not consider any expenses which are not documented by the provider. Documentation of expenses may consist of copies of past bills, leases, contracts, receipts, employment records, or any other evidence that the expenses shown on the application have been or will be incurred in the amounts shown. At any time during the license year a provider may submit additional documentation showing that expenses have increased, and the Department will adjust the maximum rent that may be charged accordingly. If expenses decrease, the provider must notify the Department within 14 days after the decrease becomes known.

4) The Department will examine the provider's documented allowable expenses to determine that they are reasonable. Such expenses shall be presumed to be reasonable unless it appears, based on information available to the Department and its judgment of all the facts of each particular case, that the expenses have been or will be incurred primarily to increase the amount of rent that may be charged to organizations conducting bingo on the provider's premises.

5) Computation of maximum rent. In determining the maximum rent that a provider may collect from an organization conducting bingo on the provider's premises, the total of all reasonable, documented, allowable expenses for the license year shall be divided by the number of weeks bingo is to be conducted on the premises during the year to obtain an amount representing the provider's weekly expenses for providing premises for bingo. If seven or fewer bingo sessions are conducted on the premises each week, the maximum rent a provider may collect from each organization for each session shall be an amount equal to one-seventh of the provider's weekly expenses. If more than seven bingo sessions are conducted on the premises each week, the maximum rent a provider may collect from each organization for each session shall be an amount equal to the provider's weekly expenses divided by the number of weekly bingo sessions conducted on the premises. A provider may not charge or collect from a licensed organization, and a licensed organization may not pay to a provider, any amounts exceeding the maximum rent authorized by the Department pursuant to this Section.

6) Nothing in these rules shall prohibit any licensed organization from making donations or contributions to a licensed provider, provided that the licensed provider is also licensed to conduct bingo, or satisfies the eligibility requirements for a regular license contained in Section 430.110(a) above, but does not have a regular license.

7) This Section shall apply to all new applications for a providers license, and to all renewal applications for providers licenses which expire after the effective date of these rules.

d) No licensed provider may advertise or promote, or participate in any way in the advertising or promotion of, any bingo session for which it does not hold a regular or limited license or a special permit.