We Want Your Opinion!

We value our partnerships with operators throughout the state, and in the coming days, we will ask for your feedback.

In the near future, the Lottery will send all of our operators a survey so we can better serve you. This survey will include a series of questions regarding our office hours, specifically on weekends and holidays. This survey will take about 5 minutes to complete.

We thank everyone who completes the survey and value your feedback!

Grover Gaming Training Taking Place Soon

After recently becoming one of South Dakota’s licensed manufacturers, Grover Gaming will provide more information to operators through training seminars. These seminars will cover basic information regarding Grover Gaming’s machines and will also include testing.

Please see below for upcoming training dates and locations:

**Sioux Falls:** The Sioux Falls training will take place on Wednesday, March 18 beginning at 2 p.m. The venue will be the Holiday Inn & Suites Airport, located on 2040 W. Russell St.

**Pierre:** The Pierre training will take place Thursday, March 19 beginning at 10 a.m. The venue will be the Red Rossa on 808 W. Sioux Ave. The training will take in the Plains Room of the restaurant.

For operators who are unable to attend, more training sessions will be announced in the near future. Please contact us if you have any questions.

Keep the Fun Good

With March being Problem Gambling Awareness Month, there is no better time to remind our partners and players to Keep the Fun Good.

We remind all of our partners that players should set a budget and play for fun when playing any of our products. If you or someone you know has a gambling problem, help is available and always confidential.

For more information, visit [www.KeepTheFunGood.com](http://www.KeepTheFunGood.com).

**COMMISSION MEETINGS**

March 18, 9:30 a.m.

Look for a meeting date and more in the near future on our Commission webpage.

**COMMISSIONERS**

Jason Ahrendt, Sioux Falls
Jamie Huizenga, Pierre
Joe Kafka, Valley Springs
William Shorma, Dakota Dunes
David Wheeler, Huron

**Legislative Session Update**

The South Dakota Legislature is in the final weeks of the 2020 session, and there were this year’s session has featured some bills related to the South Dakota Lottery. Please see below for a recap of each bill and its current status.

**HB 1021:** Reduced the number of members of the South Dakota Lottery Commission from 7 to 5. This also changed provisions related to appointment limits for a commissioner. This bill has been signed into law.

**HB 1249:** Would have made provisions regarding the South Dakota Lottery that includes the elimination of advertising. This bill was deferred to the 41st Legislative Day.

**HB 1250:** Would have made increased the state’s share of video lottery revenues and established provisions regarding the repeal of video lottery. This bill was deferred to the 41st Legislative Day.

**HB 1282:** Would have created the lottery repeal and recovery fund and revised provisions regarding the distribution of video lottery revenues. This bill was deferred to the 41st Legislative Day.

**OPERATORS & TECHNICIANS**

Be sure your paperwork for board changes and movements includes an Audit ticket and can be e-mailed to VideoLottery@state.sd.us.
IRS Reporting Requirements for Video Lottery Winnings

Tax season is officially underway, which is a good time to remind operators about IRS requirements for video lottery establishments.

Video lottery falls under ‘slot machines’ for IRS tax reporting purposes. For this category, the required IRS reporting level is per $1,200 win, and machines are taxed on ‘per wager’ winnings and not on any accumulative total of winnings. Since video lottery players cannot win more than $1,000 on a single play of the machine, there is no requirement for any video lottery retailers to collect tax from players or issue W-2G forms.

The Lottery does not dictate IRS policy and is providing an interpretation only. If you have further questions, please contact your accountant or the IRS directly.

Video Lottery Terminal Reminder

If you plan on leaving the video lottery business, please remember that you must dispose, either by sale or destruction, of your video lottery terminals to avoid further fees and charges.

Even if you have machines in storage that are not used, they must be either destroyed or transferred to another operator to avoid renewal fees. The license renewal fee for a video lottery operator is based on the number of machines licensed as of June 30 of each year.

If you are planning to sell your machines, a Bill of Sale form is available to assist operators in obtaining the necessary information when video lottery machines are sold between operators or back to a distributor. The form can be downloaded and printed from our website at Video Lottery Bill of Sale form and should be used in all situations in which a video lottery machine is sold.


STATS FROM THE FIELD

NMI/Terminal/Day - Legacy vs. Line

<table>
<thead>
<tr>
<th>Month</th>
<th>Legacy NMI per Machine per Day</th>
<th>Line NMI per Machine per Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feb</td>
<td>$92.55</td>
<td>$97.77</td>
</tr>
<tr>
<td>Apr</td>
<td>$50.97</td>
<td>$53.07</td>
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<tr>
<td>Jun</td>
<td>$10.92</td>
<td>$11.92</td>
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<tr>
<td>Aug</td>
<td>$7.91</td>
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<tr>
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<td>Dec</td>
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<tr>
<td>Apr</td>
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<td>$0.62</td>
</tr>
<tr>
<td>Jun</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Average Number of Calls Offered

- 00:00: 6.70
- 09:00: 10.92
- 10:00: 13.19
- 11:00: 10.02
- 12:00: 7.91
- 13:00: 7.91
- 14:00: 7.00
- 15:00: 5.40
- 16:00: 3.83
- 17:00: 1.62
- 18:00: 0.81
- 19:00: 0.67
- 20:00: 0.62
- 21:00: 0.00

CURRENTLY OPERATING

The following licensed manufacturers have approved hardware and software in the market:
- Grand Vision Gaming
- IGT
- Scientific Games International
- IGT Canada Solutions, ULC
  (formerly GTech Canada ULC-Spielo)
- MTD Gaming, Inc.
- VLC, Fortunet/Summit, Harms Vending, and
  Techlink Entertainment also have equipment in the field.

Licensed distributors include:
- Fortunet
- Grand Vision Gaming
- Harms Vending
- IGT
- Scientific Games International
- IGT Canada Solutions, ULC
  (formerly GTech Canada ULC-Spielo)

QUICK LINKS

lottery.sd.gov
Video Lottery
Video Lottery System Migration
Retailer/License Info
Where Does the Money Go?

KNOW SOMEONE WHO SHOULD BE RECEIVING THIS NEWSLETTER?
Get them on the list by sending their email address to Wade.LaRoche@state.sd.us.

Newsletter Archives:
For past newsletter issues, email Wade LaRoche at Wade.LaRoche@state.sd.us.

Stay Connected
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