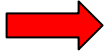


Reg. Section 7.6041-1(a)

Return of information as to payments of winnings from bingo, keno, and slot machines



- (a) In general. On or after May 1, 1977, every person engaged in a trade or business and making a payment in the course of such trade or business of winnings (including winnings which are exempt from withholding under section 3402(q)(5)) of \$1,200 or more from a bingo game or slot machine play or of \$1,500 or more from a keno game shall make an information return with respect to such payment.
- (b) Special rules. For purposes of paragraph (a) of this section, in determining whether such winnings equal or exceed the \$1,200 or \$1,500 amount—
 - (1) In the case of a bingo game or slot machine play, the amount of winnings shall not be reduced by the amount wagered;
 - (2) In the case of a keno game, the amount of winnings from one game shall be reduced by the amount wagered in that one game;
 - (3) Winnings shall include the fair market value of a payment in any medium other than cash;
 - (4) All winnings by the winner from one bingo or keno game shall be aggregated; and
 - (5) Winnings and losses from any other wagering transaction by the winner shall not be taken into account.