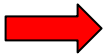


Reg. Section 7.6041-1(b)

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.