

This document includes questions and answers that came up during our Regulatory Update Webinar. Please click on the below links for a specific topic, or scroll through the document to read all the questions and answers.

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## Identification: Passports

### 1. Is it against the law to photocopy passports since it is a federally issued ID or just military IDs?

The U.S. Department of State and Department of Homeland Security recommend that individuals make copies of the passport data page both to take with them on trips as well as leave with family members back home. Since a passport is not a single page, like the Military ID cards, it is acceptable to make photocopies of the passports.

## Identification: Social Security Numbers, TIN Matching & Other Forms of ID

### 1. Would a TIN Matched W-9 be even better than a Social Security card?

First, to clarify, industry practice is to use the Form W-9 as a secondary ID, which technically is not allowed under the current regulations. A Social Security Card is considered a legitimate form of secondary ID, so it is superior for the purpose of ID verification. Also, according to IRS publication 2108-A, the TIN matching should not be used for any other forms other than the following 1099 forms, the 1099-MISC being the applicable for promotional prizes in gaming: 1099-B, 1099-DIV, 1099-INT, 1099-K, 1099-MISC, 1099-OID or 1099-PATR.

Accuracy of social security number (SSN) is important for both compliance and penalty avoidance, and having policies and procedures to identify SSNs that are correct (through prior year successful filings, TIN matching, etc.) and noting the correct SSN in your player system can improve your overall accuracy and enhance your ability to rely upon your players club cards.

### 2. Per contact with an IRS agent, the ITIN matching feature offered by the IRS does not definitively confirm a correct Social Security Number has been provided, it only confirms a person has provided that Social Security Number to the IRS before. Is ITIN matching still a good tool to use in light of that guidance?

In our conversations with the IRS (and confirmed by the Supervisor), if “match” is indicated in the indicator results field, the TIN associated with the patron is the correct TIN for the patron.

**3. If the Players Club Account has not had a TIN match performed, can the Players Club card still be used as a valid form of identification?**

Using the Players Club Card as a secondary ID is dependent upon the controls you have established to ensure that the person who has signed up for the card is legitimately that person. Each property will be different, as each property has different procedures for issuance of a new card (for example, some properties require the proof of a Social Security Card at sign-up, while other properties don't require any ID to obtain a card). For specific guidance for your property, please reach out to Theresa Kain.

**4. What if the patron presents a Social Security card that states for work purposes only, should we have them complete a W-9?**

Social security cards issued for work purposes require proof of identification. They are issued to people lawfully admitted to the United States on a temporary basis who have Department of Homeland Security authorization to work. You may wish to require back-up withholding if you are concerned about the legitimacy of the Social Security Number. Collecting a Form W-9 may not help you in this scenario. Social Security Administration Publication No. 05-10096 has more information regarding these types of social security cards issued.

## **Identification: Military ID Cards**

**5. Can you write down the identification number on a Military ID to verify it was reviewed?**

Yes, writing down the identification number on the Military ID is acceptable to attest that the patron information in the system is correct. Along with the identification number, it is our understanding that the picture on the ID can be maintained so long as a copy is not made of the entire ID.

**6. Can Military IDs be scanned for an ID database, if it is not photocopied?**

A military ID should not be scanned, as Title 31, U.S. Code Part 1, Chapter 33, Section 701 specifically prohibits the duplication of Federal government or Military IDs, and it is our understanding that a scanned version placed into an ID database could be used for duplication purposes. The patron's picture can be copied or scanned, but the entire ID containing all the patron information cannot be copied or scanned.

**7. Are both Military and State Issued IDs not allowed to be photocopied, or just military?**

It is acceptable to photocopy State Issued ID cards; this law is specific to Federal and Military IDs. Controls should be established in your organization to protect patron identify if you make photocopies of IDs.

**8. Drivers License IDs for active duty military now shows the word MILITARY in the expiration date field, which I assume means indefinitely. Should we also require the patron to present their Military ID to ensure they are still active duty and therefore the Drivers License is valid?**

Requiring a patron with the word "MILITARY" documented in the expiration date field to present their Military ID would be a strong control, as it allows for your employees to confirm that the ID provided is valid.

## New Class II MICS

### 9. Who is approver of TICS/SICS?

Casino TICS/SICS are required to be approved by the governing board included by your Tribal Ordinance and laws. Often the TICS are approved by a Tribal Council or other governing Board, and the SICS are approved by the Gaming Commission. However, you will want to review your Tribe's Gaming Commission ordinance and other regulations that apply to the approval process of the TICS and SICS.

### 10. What if your casino's year end is June 30, 2013 when do TICS/SICS need to be updated and implemented?

Casino TICS are required to be approved by October 12, 2013. The TICS/SICS will have to be implemented by July 1, 2014.

### 11. Are existing casinos operating Class III games bound by the same TICS/SICS implementation dates as outlined in the presentation?

Class III only operations are not impacted by the new Class II MICS, and as such, the implementation dates do not apply. However, if an existing Class III casino has a few Class II games (i.e. poker, or a bank of Class II gaming machines), then the approval and implementation dates do apply, and any applicable Class II MICS (i.e. cage, revenue audit) must be included in the approval and implementation process.

### 12. Does each promotion need approval by TGRA or do the procedures for approval need TGRA approval?

Each promotion's rules needs Tribal Gaming Regulatory Agency (TGRA) approval. The new Class II MICS, 543.12(b) state,

Gaming promotions. The rules of the gaming promotion must be displayed or made readily available to patron upon request. Gaming promotions rules require TGRA approval and must include the following:

- (1) The rules of play;
- (2) The nature and value of the associated prize(s) or cash award(s);
- (3) Any restrictions or limitations on participant eligibility;
- (4) The date(s), time(s), and location(s) for the associated promotional activity or activities;
- (5) Any other restrictions or limitations, including any related to the claim of prizes or cash awards;
- (6) The announcement date(s), time(s), and location(s) for the winning entry or entries; and
- (7) Rules governing promotions offered across multiple gaming operations, third party sponsored promotions, and joint promotions involving third parties.

The TGRA will want to review the rules for the MICS requirements, but should be careful about approving or disapproving the promotion based upon the viability/perceived success of the promotion. Management should carry the responsibility of the success or failure of the promotion. If the TGRA is involved with decision making based upon perceived value/success of the promotion then they potentially decrease Casino Management's accountability of marketing endeavors.

**13. Are Table Games included in the new MICS?**

No, table games are not Class II games, and therefore table games is not included in the new 25 CRF 543 Class II MICS.

**14. Is the February 19th, 2013 Class II MICS the most updated version?**

No, the most up-to-date is May 21, 2013. The website that contains the most up-to-date regulations is the U.S. Government Electronic Code of Federal Regulations (<http://www.ecfr.gov>). The Class II MICS can be found in Title 25, Part 543.

**15. What is the definition of a kiosk?**

The Class II NIGC MICS define a kiosk as, “A device capable of redeeming vouchers and/or wagering credits or initiating electronic transfers of money to or from a patron deposit account.” These machines redeem your gaming tickets/vouchers and typically also perform bill breaking and/or ATM transactions.

The Financial Crimes Network (responsible for Title 31) defines a kiosk as a machine that “can perform a variety of financial transactions, such as redeeming slot machine or video lottery tickets for currency, exchanging U.S. currency for U.S. currency (i.e., breaking bills or paper money), redeeming player slot club points, and initiating electronic transfers of funds to or from a wagering account.”

**16. Do the Class II MICS address ATMs if you own them?**

For application of the MICS, it does not matter if you own or lease the ATM machines, but rather what transactions the machines actually perform. If the ATM acts like a kiosk and can redeem cashless wagering instruments (i.e. gaming machine tickets), then new kiosk standards apply. If the ATM is a standalone ATM which only dispenses money and does not electronically transfer money to cashless wagering accounts, then the Class II MICS do not apply.

## **Title 31**

**17. Is the former 25-day electronic filing timeline published anywhere?**

Yes, the former filing deadline is published in IRS Publication 3908 as well as addressed in the FAQ link ([http://bsaefiling.fincen.treas.gov/FAQs.html#categ\\_06\\_quest\\_03](http://bsaefiling.fincen.treas.gov/FAQs.html#categ_06_quest_03)) of the BSA e-filing page, which states:

FinCEN announced a change in the CTR electronic filing specification for the CTR from the current 25-days to 15-days. FinCEN regulations have consistently maintained a regulatory requirement that CTRs be filed within 15 days. Notwithstanding this requirement, in connection with its receipt of magnetic media files initiated in late 1987, and ending in December 2008, FinCEN issued electronic specifications referencing a 25-day period to assist institutions seeking to take advantage of this filing method via a common business practice of submitting magnetic media files on a fixed schedule. The 25-day period was implemented to account for physically transporting (shipping) the magnetic media to the processing center in Detroit, Michigan...The FinCEN CTR filing



specifications may be viewed at <http://bsaefiling.fincen.treas.gov/news/FinCENTRElectronicFilingRequirements.pdf>.

#### **18. A CTRC is no longer filed and instead a CTR is filed?**

Correct, the Currency Transaction Report specific to casinos is no longer applicable. Now when reporting patron activity exceeding \$10,000.00, a CTR is filed electronically and this form includes both universal as well as industry specific attributes on the same form. It is the responsibility of the filer to select the appropriate attributes specific to the activity.

### **Contact Information**

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