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## Director's message

Once again, ITG has had a very busy and successful year. With the many outreach events we've held and participated in, we cannot say enough how much we appreciate your feedback and support!

This year has also brought us a number of changes that required your input and awareness. For example, the Tribal Economic Development Bond ruling, Tribal trust settlement case rulings, and other new guidance has kept all of us on our toes!

We hope this year's webinar provided you with more valuable insight regarding tip agreements, tribal council pay, and travel expenses. We're currently working on providing these topics as a DVD, particularly for remote tribes that have limited Internet access. If there are other topics you would like for us to work on, please let us know.

And of course, we now have a new look at IRS.gov. To find us you can do it three ways:

1. At the upper right-hand corner of the page, scroll your mouse over "Information For..." and click on "Government Entities." A new web page will open up, and you will see "Tax Information for Indian Tribal Governments."
2. While at the home page – [www.irs.gov](http://www.irs.gov) – type "Indian Tribal Governments" in the search bar. The first choice that comes up will be a link to ITG's home page.
3. You can also always find us at [www.irs.gov/tribes](http://www.irs.gov/tribes).

Remember, you can always contact your [ITG Specialist](#) or contact us by email at [tege.ask.itg@irs.gov](mailto:tege.ask.itg@irs.gov).

Sincerely,

Christie Jacobs, Director

## **IRS announces Tribal Economic Development Bond re-allocation process**

The IRS published [Notice 2012-48](#), which announces the process and solicits applications for Tribal Economic Development Bond (TED Bonds) volume cap reallocation on July 30, 2012. The volume cap available for reallocation was previously allocated and subsequently forfeited under [Notice 2009-51](#). The amount available for reallocation is \$1,802,846,643.

TED Bonds were a feature of the American Recovery and Reinvestment Act of 2009. The purpose was to give Indian tribal governments greater flexibility than was allowable under the existing standard. Initially, the TED Bond volume cap was allocated in two tranches (specific classes of bonds offering varying degrees of risk to the investor) with a maximum award of \$30 million. Most allocations remained unused due to, among other reasons, market forces, program misunderstandings, and the relatively small volume cap award limit.

In response, the IRS sought comments on improving the program with [Announcement 2011-71](#). Comments were received and reviewed leading to the development of the reallocation process.

Much of the reallocation application has remained the same as the initial allocation application. For example, the reallocation application must include certification that the project being financed is located entirely within the applicant's reservation.

The reallocation process, however, does contain some noteworthy changes:

- The reallocation awards will be made on a first-come, first-serve basis. Thus, there is no application deadline.
- The maximum reallocation award was raised significantly. An applicant may obtain a reallocation award equaling the greater of 20 percent of the available volume cap – approximately \$360 million, currently – or \$100 million.
- Applicants have 180 days to issue bonds or the reallocation award is forfeited.

The IRS is currently accepting TED Bonds reallocation applications. If you have any questions about the process, please contact Timothy L. Jones at 202-622-3701.

## **Distributions from settlements not taxable**

The IRS published [Notice 2012-60](#), *Per Capita Payments from Proceeds of Settlements of Indian Tribal Trust Cases*, on September 6, 2012. The Notice provides guidance concluding that per capita payments made from funds received in certain recent tribal trust cases against the United States are not taxable.

The United States has settled cases with fifty-five Indian tribes that allege mismanagement of monetary assets and natural resources held in trust for the benefit of the Indian tribes. The settlement agreements direct that the proceeds be transferred to the tribe, who will then have the option of making per capita payments, or to the Department of the Interior's Office of the Special Trustee for American Indians to be held until the tribe submits a distribution plan, which may include making per capita payments.

The IRS and Treasury reviewed and concluded that the per capita payments, made either by an Indian tribe or the Special Trustee, would not be subject to federal income tax. The exemption's basis is rooted in the Per Capita Act. See sections [117a](#), [117b](#), and [117c](#), Title 25, U.S. Code.

The Act permits trust funds to be distributed by either the Secretary of the Interior or by an Indian tribe. In addition, the Act provides that these distributions are subject to [section 1407](#), Title 25, U.S. Code, which provides a tax exemption for distributions of certain judgment funds. The IRS and Treasury concluded that the exemption found in this section applies to distributions from the settlement agreements. The Notice applies only to the per capita payments made from these settlement agreements.

## **Updated guidance on tips vs. service charges**

The IRS has clarified and updated guidance on differentiating between employee tips and service charges distributed to employees with the recently released [Revenue Ruling 2012-18](#) and [Announcement 2012-25](#). This distinction is important since special FICA rules apply to social security tips while distributed service charges are treated only as additional social security wages.

The special FICA rules on tips are based on [Internal Revenue Code \(IRC\) section 3121\(q\)](#) which states that employee tips are deemed paid by the employer and therefore, subject to the employer portion of FICA taxes. When the employee provides a written statement which includes the tip amounts to the employer, the tips are deemed paid at that time and are reported as social security tips. If the employee does not report some or all of the tips received to the employer, the unreported tips are deemed paid by the employer when the IRS makes notice and demand to the employer. The notice and demand is a formal letter advising the employer of the unreported tips and the employer FICA tax due on the unreported tips.

Rev. Rul. 2012-18 lists four criteria which indicate the payment is a tip:

1. The payment must be free from compulsion.
2. The customer must have the unrestricted right to determine the amount.
3. The payment should not be the subject of negotiation or dictated by employer policy.
4. Generally, the customer has the right to determine who receives the payment.

If any of these conditions are not met, then the payment is a service charge.

The ruling also provides two examples distinguishing a tip from a service charge. In the first example a restaurant menu specifies an 18% charge will be added for parties of 6 or more. For these large groups the bill includes an amount on the tip line equal to 18% of the food and beverage charges. The restaurant distributes the 18% charge to the servers and bussers. In this situation the customer did not have an unrestricted right to determine the amount of the payment because it was dictated by employer policy. The amount included on the tip line by the restaurant is a service charge.

In the second example, the customer receives a bill that includes sample tip calculations at the bottom of the bill of 15%, 18%, and 20% of the price of food and beverages. The actual tip line on the bill is blank. The customer inserts the calculated 15% amount on the tip line. The customer independently determined an amount to put on the tip line and was free from compulsion to enter any amount. The customer determined who would receive the payment. The amount entered on the tip line is a tip within the meaning of section 3121 of the Code.

Rev. Rul. 2012-18 also discusses employee tip reporting; the notice and demand process under IRC section 3121(q); and the period of limitations for the assessment of the employer share of FICA. The ruling also discusses the [IRC section 45\(B\)](#) credit which applies only to food and beverage establishments required to file federal income tax returns.

Announcement 2012-25 provides interim guidance to IRS examiners that Rev. Rul. 2012-18 is effective immediately and should be applied retroactively. However, the memorandum also provides that, in limited circumstances, the definition of tips should be applied prospectively to amounts paid on or after January 1, 2013. This exception allows businesses additional time to amend their business practices and make needed system changes.

If you have any questions or concerns regarding Rev. Rul. 2012-18 or Announcement 2012-25, please contact the Indian Tribal Governments Tip Compliance Coordinator at [Suzanne.V.Perry@irs.gov](mailto:Suzanne.V.Perry@irs.gov) or 602-636-9181.



## **Guidance on casino Bank Secrecy Act rules**

FinCEN has published new guidance, [FIN-2012-G004](#), interpreting the requirements of the Bank Secrecy Act (BSA) regulations as they apply to the Casino and Card Club industries.

This guidance is in the form of frequently asked questions. FinCEN also published frequently asked questions in 2007 and 2009 which have not been incorporated into the new guidance. Casinos and card clubs should continue to rely on the guidance contained in [FIN-2007-G005](#) and [FIN-2009-G004](#).

## **Update on OFAC information**

The Office of Foreign Assets Control (OFAC) administers and enforces economic sanctions programs primarily against countries and groups of individuals, such as terrorists and narcotics traffickers. The sanctions can be either comprehensive or selective, blocking of assets and trade restrictions to accomplish foreign policy and national security goals.

The [April 2011 edition](#) of the ITG News included a comprehensive article about OFAC requirements. Recently, ITG added a set of [frequently asked questions](#) about OFAC to our website. These frequently asked questions provide information about general inquiries. For more information please refer to [OFAC's official website](#) or contact your [local ITG Specialist](#).

## **Suspicious activity reporting in the gaming industry**

The Financial Crimes Enforcement Network (FinCEN) issued the [Suspicious Activity Reporting in the Gaming Industry January 2004 – June 2011 report](#). The report summarizes information gathered through the SAR-C filings by type of filer, location and reporting characteristics. This article contains the executive summary and three summary charts from the FinCEN report. For further information and a more in-depth analysis visit the [FinCEN website](#).

### ***Executive Summary***

Gaming institutions covered by FinCEN's regulations submitted 74,816 Suspicious Activity Report by Casinos and Card Clubs (SAR-C) filings from 2004 through June 2011. These filings reported a total of \$1.77 billion. Annual filings consistently increased, while total dollar amounts fluctuated from year to year. The steady increase in SAR-C filings during the study period paralleled a significant expansion of gaming operations across the United States.

## *(Suspicious activity reporting, continued)*

State-licensed casinos filed about 70 percent of the SAR-Cs and accounted for about 80 percent of the reported dollar amount of suspicious activity. Tribal casinos submitted approximately 26 percent of the filings and accounted for 16 percent of the dollar amount. Card clubs submitted 2 percent of the filings and accounted for 2 percent of the dollar amount.

New Jersey and Nevada are by far the states with the highest number of SAR-C filings. Together, they accounted for 41 percent of all filings over the period and 61 percent of the reported dollar amount. New Jersey casinos filed the highest number of reports, while Nevada casinos reported the highest total dollar amount.

More than 40 percent of the filings reported suspicious activities characterized as structuring. The reports frequently described activities involving chip, jackpot and token redemptions, which customers may have structured to avoid currency transaction reporting requirements.

The second most frequently reported characterization of suspicious activity was “Other.” In these SAR-Cs, narratives often described situations in which patrons or employees displayed unusual behavior or violated casino policies. The third most frequent characterization was “Minimal Gaming with Large Transactions.” The narratives in these reports described situations in which patrons bought chips or deposited funds into their casino front money accounts and then cashed out after little or no play.

The types of suspicious activities reported reflected known money laundering and criminal techniques. As reports of these activities have increased, casinos have expanded the amount of useful information available to FinCEN and its law enforcement customers seeking to deter and detect criminal abuse of the gaming industry.

***(See tables on the next two pages)***

*(Suspicious activity reporting, continued)*

## Filings by State

| STATE/<br>TERRITORY           | 2004 | 2005 | 2006 | 2007 | 2008  | 2009  | 2010  | 2011 | Total<br>Filings | Dollar Amount   |
|-------------------------------|------|------|------|------|-------|-------|-------|------|------------------|-----------------|
| Alabama                       | -    | 1    | -    | -    | 2     | 9     | 44    | 46   | 102              | \$861,836       |
| Alaska                        | -    | -    | -    | -    | -     | 1     | -     | -    | 1                | \$2,000         |
| Arizona                       | 41   | 37   | 75   | 94   | 101   | 69    | 126   | 120  | 663              | \$11,043,907    |
| Arkansas                      | -    | -    | -    | 1    | 6     | 8     | 4     | -    | 19               | \$147,041       |
| California                    | 264  | 285  | 452  | 596  | 811   | 807   | 1147  | 600  | 4962             | \$121,157,676   |
| Colorado                      | 9    | 7    | 14   | 12   | 18    | 26    | 56    | 26   | 168              | \$1,379,927     |
| Connecticut                   | 265  | 394  | 552  | 624  | 548   | 464   | 523   | 212  | 3582             | \$66,610,926    |
| Delaware                      | 11   | 15   | 9    | 12   | 5     | 2     | 46    | 35   | 135              | \$1,328,739     |
| District of Columbia          | -    | -    | -    | -    | -     | -     | -     | -    | 1                | \$20            |
| Florida                       | 25   | 40   | 128  | 224  | 171   | 255   | 305   | 211  | 1359             | \$19,232,049    |
| Georgia                       | -    | -    | 1    | -    | -     | -     | -     | -    | -                | \$10,000        |
| Idaho                         | 5    | 9    | 4    | 17   | 7     | 11    | 12    | 1    | 66               | \$2,976,511     |
| Illinois                      | 300  | 245  | 323  | 508  | 416   | 418   | 446   | 213  | 2869             | \$55,791,358    |
| Indiana                       | 378  | 315  | 367  | 485  | 348   | 394   | 460   | 218  | 2965             | \$44,647,863    |
| Iowa                          | 122  | 116  | 108  | 153  | 142   | 121   | 103   | 102  | 967              | \$10,004,464    |
| Kansas                        | 21   | 20   | 36   | 60   | 186   | 64    | 61    | 62   | 510              | \$8,020,420     |
| Louisiana                     | 273  | 419  | 721  | 663  | 677   | 914   | 1090  | 574  | 2753             | \$64,632,058    |
| Maine                         | -    | -    | -    | -    | -     | 2     | -     | -    | 2                | \$13,000        |
| Maryland                      | -    | -    | 1    | -    | -     | -     | -     | 1    | 2                | \$11,450        |
| Michigan                      | 225  | 144  | 172  | 176  | 207   | 316   | 577   | 271  | 2088             | \$17,244,262    |
| Minnesota                     | 60   | 56   | 102  | 163  | 215   | 182   | 222   | 126  | 1126             | \$13,380,826    |
| Mississippi                   | 652  | 449  | 348  | 435  | 570   | 596   | 977   | 528  | 4555             | \$115,443,801   |
| Missouri                      | 73   | 104  | 91   | 72   | 93    | 305   | 360   | 206  | 1304             | \$13,005,177    |
| Montana                       | -    | -    | -    | -    | 2     | 1     | -     | -    | 3                | \$33,234        |
| Nebraska                      | -    | -    | 1    | -    | -     | 1     | 1     | -    | 3                | \$40,265        |
| Nevada                        | 804  | 827  | 921  | 2041 | 2504  | 2810  | 2707  | 1555 | 14169            | \$782,158,563   |
| New Hampshire                 | -    | -    | -    | -    | -     | 20    | -     | 2    | 22               | \$319,535       |
| New Jersey                    | 1927 | 1993 | 1891 | 2284 | 2596  | 2151  | 2069  | 1471 | 16382            | \$293,617,110   |
| New Mexico                    | 38   | 47   | 72   | 99   | 54    | 76    | 85    | 53   | 524              | \$4,396,353     |
| New York                      | 121  | 184  | 125  | 157  | 164   | 160   | 195   | 59   | 1165             | \$15,786,702    |
| North Carolina                | 8    | 16   | 23   | 9    | 7     | 9     | 9     | 4    | 85               | \$736,615       |
| North Dakota                  | -    | 5    | 3    | 5    | 3     | 6     | 6     | 3    | 31               | \$255,079       |
| Ohio                          | -    | -    | -    | -    | -     | -     | 1     | -    | 1                | \$5,024         |
| Oklahoma                      | 46   | 79   | 458  | 763  | 747   | 897   | 874   | 518  | 4382             | \$38,787,898    |
| Oregon                        | 15   | 16   | 31   | 8    | 18    | 53    | 34    | 16   | 191              | \$1,535,406     |
| Pennsylvania                  | 1    | -    | -    | 11   | 30    | 85    | 306   | 464  | 897              | \$8,641,052     |
| Puerto Rico                   | 148  | 54   | 62   | 49   | 128   | 336   | 526   | 341  | 1644             | \$22,973,974    |
| Rhode Island                  | -    | 1    | -    | -    | -     | -     | -     | 2    | 3                | \$109,715       |
| South Dakota                  | 2    | 5    | 4    | 4    | 10    | 23    | 14    | 7    | 69               | \$303,192       |
| Tennessee                     | -    | -    | -    | -    | -     | 1     | -     | -    | 1                | \$13,900        |
| Texas                         | 3    | 2    | 5    | 6    | 26    | 41    | 20    | 19   | 118              | \$702,904       |
| US Virgin Islands             | -    | -    | 1    | -    | 1     | -     | 2     | -    | 4                | \$135,500       |
| Utah                          | -    | -    | -    | 1    | -     | 1     | -     | -    | 2                | \$73,119        |
| Virginia                      | -    | -    | -    | -    | -     | -     | 1     | -    | 1                | \$3,001         |
| Washington                    | 48   | 99   | 72   | 113  | 185   | 262   | 403   | 140  | 1322             | \$15,382,092    |
| West Virginia                 | 6    | 11   | 5    | 3    | 62    | 88    | 81    | 49   | 305              | \$6,581,005     |
| Wisconsin                     | 35   | 50   | 47   | 53   | 59    | 57    | 63    | 58   | 422              | \$5,970,136     |
| Unknown/Incorrect State Codes | 36   | 27   | 45   | 46   | 43    | 51    | 39    | 14   | 292              | \$4,952,957     |
|                               | 5962 | 6072 | 7270 | 9943 | 11162 | 12094 | 13986 | 8327 | 74816            | \$1,770,459,642 |



*(Suspicious activity reporting, continued)*

| Type of Gaming Institution Filer<br>SARCs Filed January 1, 2004 - June 30, 2011 |              |              |                            |                   |
|---------------------------------------------------------------------------------|--------------|--------------|----------------------------|-------------------|
| Type of Filer                                                                   | # of Filings | % of Filings | Suspicious Activity Amount | % of Total Amount |
| State Licensed                                                                  | 52,724       | 70%          | \$1,422,812,519            | 80%               |
| Tribal Licensed                                                                 | 19,090       | 26%          | \$290,799,047              | 16%               |
| Card Club                                                                       | 1,387        | 2%           | \$42,137,911               | 2%                |
| Other                                                                           | 121          | <1%          | \$3,772,947                | <1%               |
| Unspecified                                                                     | 1,243        | 2%           | \$13,874,241               | 1%                |

| Types of Suspicious Activity Reported<br>SAR-Cs Filed January 1, 2004 – June 30, 2011<br>Number of Filings |      |      |      |      |      |      |      |      |        |
|------------------------------------------------------------------------------------------------------------|------|------|------|------|------|------|------|------|--------|
|                                                                                                            | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | Total  |
| Bribery/gratuity                                                                                           | 14   | 15   | 22   | 32   | 28   | 32   | 20   | 15   | 178    |
| Check Fraud (includes counterfeit)                                                                         | 203  | 114  | 246  | 344  | 336  | 495  | 614  | 234  | 2,586  |
| Credit/debit card fraud(includes counterfeit)                                                              | 90   | 17   | 51   | 68   | 84   | 144  | 208  | 89   | 751    |
| Embezzlement/Theft                                                                                         | 23   | 21   | 32   | 36   | 66   | 108  | 80   | 33   | 399    |
| Large currency exchange(s)                                                                                 | 319  | 322  | 343  | 381  | 464  | 577  | 670  | 371  | 3,449  |
| Minimal gaming with large transactions                                                                     | 1116 | 1149 | 1263 | 2197 | 2655 | 2822 | 3160 | 1920 | 16,282 |
| Misuse of position                                                                                         | 11   | 9    | 15   | 26   | 43   | 28   | 22   | 20   | 174    |
| Money laundering                                                                                           | 320  | 324  | 277  | 373  | 431  | 523  | 613  | 415  | 3276   |
| No apparent business or lawful purpose                                                                     | 360  | 405  | 411  | 455  | 732  | 809  | 758  | 586  | 4,516  |
| Structuring                                                                                                | 2537 | 2568 | 2661 | 3533 | 4588 | 4811 | 6019 | 3768 | 30,485 |
| Unusual use of negotiable instruments (checks)                                                             | 74   | 94   | 202  | 306  | 304  | 370  | 407  | 201  | 1,958  |
| Use of multiple credit or deposits accounts                                                                | 18   | 10   | 11   | 15   | 8    | 25   | 18   | 9    | 14     |
| Unusual use of wire transfers                                                                              | 74   | 50   | 45   | 78   | 83   | 78   | 91   | 98   | 597    |
| Unusual use of counter checks or markers                                                                   | 48   | 129  | 269  | 401  | 450  | 405  | 522  | 225  | 2,449  |
| False or conflicting ID(s)                                                                                 | 452  | 425  | 717  | 1196 | 1183 | 1257 | 1141 | 540  | 6,911  |
| Terrorist financing                                                                                        | 1    | 1    | 4    | 12   | 3    | 2    | 1    | 5    | 29     |
| Other                                                                                                      | 1455 | 1639 | 2310 | 2467 | 2463 | 2487 | 2523 | 1490 | 16,834 |

## **Western region hires new ITG specialist**

Sherif Visoka recently joined our staff as a new ITG Specialist. He comes to us from our Small Business/Self Employed division, where he was a revenue agent for 5 years. He will be located at our San Bernardino office.

Born in Prishtina, the capital city of Kosovo, he migrated to the United States as a refugee in May of 1999 during the ethnic cleansing war. Upon arriving in San Diego, he completed high school and graduated from the California State University at San Marcos, with a Bachelor of Science degree in business administration and concentration in accounting. He held many jobs to put himself through college from a cashier at Wal-Mart to working night shifts at Kyocera.

When asked what he looks forward to most about his new job, he said: "I am extremely excited for the opportunity to work with Tribal governments as sovereign nations and very motivated to do everything possible to help foster that relationship".

In his personal time he enjoys taking long walks with his wife, spending time with his brother, and keeping in touch with friends and relatives. He occasionally goes cycling and recently started going camping.

We are currently realigning our Tribal assignments and expect Sherif will be assigned Tribes mostly in Southern California. When our realignment process is completed we will update the assignment list on our website. Click on [Contacting ITG](#); next, click on [Find Your ITG Specialist](#).

## Outreach highlights

### ***Western area***

Western Area ITG held two all-day Advanced Employment Tax workshops in Northern California at the IRS offices at Santa Rosa on July 18<sup>th</sup> and at Sacramento on July 25<sup>th</sup>. As always, ITG provided these classes at no charge to Tribal staff, leaders, and other agencies that work with Tribes.

Guests included not just those from Northern California, but also those from both Southern California and Nevada.

The topics went beyond basic employment tax procedures to cover areas most relevant to tribal government interests, such as: fringe benefits, scholarships, loans to tribal members, tribal council payments, and travel reimbursements. Additional topics included IRS policy, collection procedures, and internal control recommendations to meet IRS examination standards.

During the workshops ITG had the opportunity to meet with new tribal leaders and key accounting personnel in attendance, and reacquaint with long-standing key contacts.

If you would like information on the topics covered, or have suggestions for events or future topics, please don't hesitate to contact your ITG Specialist.

### ***Southwest***

Southwest Group 7282 has had successful outreaches during the summer. Listed below are the workshops the group presented.

*Basic and Advanced Employment Tax Training Workshop* – held in July at the Federal building located in Tucson, Arizona, the successful training session was customized to meet the request of Sells District, Tohono O'odham Nation. ITG Specialists from the Tucson IRS office presented the workshop to 23 attendees. Topics included: defining employees verses independent contractors; computing the correct taxes for payroll; making federal tax deposits; and more!

*Basic Employment Tax Training Workshop* – thirteen tribal customers attended this workshop held in August at the Federal building located in Tucson. ITG specialists from this office presented a variety of topics to include: due dates on tax returns; completing Forms W-2/W-3 and 1099/1096; reconciling Forms 941 and W-2 at year end; and more!

***(Outreach highlights, continued)***

*Advanced Employment Tax Training Workshop* – also held at the Federal building located in Tucson, 11 tribal customers attended the successful training session. Covered topics included: detecting fraud; foreign workers; fringe benefits, money services businesses (MSB); and more!

*Title 31 Gaming Seminar* – held at the Desert Diamond Casino in Sahuarita, Arizona, the group received positive feedback from the 46 tribal customers who attended this seminar. Penalties, historical background, suspicious activities and money laundering, and Title 31 examinations were among the many topics ITG specialists presented.

*Gaming Forms and Publications Classes* – held at the Northern Edge Casino near Farmington, New Mexico, these classes centered on IRS information reporting publications and forms for casinos. Featured was information on the proper completion of the Forms W-2G, 1099-MISC and 1042-S. About thirty employees attended from the Northern Edge and Flowing Water Casinos.

***Pacific Northwest***

The group held combined Basic/Advanced Employment Tax and Gaming Tax Training Workshops in Fife, Washington. Julie Hamilton, Tribal Financial Officer of the Puyallup Tribe of Indians hosted the training at the Emerald Queen Casino. ITG specialists presented to 46 individuals from various tribes in the Pacific Northwest, covering such topics as: computing the correct taxes for payroll; making federal tax deposits; due dates on tax returns; and more!

If you are interested in having an Employment Tax Workshop, a Title 31 Gaming Seminar, or other type of training session, please contact your assigned [ITG Specialist](#).

## Upcoming training in the Southwest

The Internal Revenue Service (IRS) is offering two workshops; both in Conference Room B, 300 W. Congress St., Tucson, at no charge.

Basic employment tax workshop  
October 10 and 11  
8:30 a.m. - 4:30 p.m.

### ***Topics***

- Defining employees vs. independent contractors
- Correctly computing payroll tax
- Filing out Forms 941, W-2, W-3, 1099 and 1096
- How to avoid penalties
- Per diem and travel reimbursement methods
- And more!

Advanced employment tax workshop  
October 23 – 26  
9 a.m. - 4 p.m.

### ***Topics***

- Fringe benefits
- IRS notices
- Loans to tribal members
- Money services businesses
- Detecting fraud
- Tips and tip reporting
- Third-party sick leave
- Accountable and non-accountable plans
- And much, much more!

Please note that space is limited; only 30 reservations are available per session. For additional information, near-by parking or registration, please contact Tricia Miller at [Tricia.L.Miller@irs.gov](mailto:Tricia.L.Miller@irs.gov).