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2750 Salt Springs Road • Youngstown, Ohio 44509
Phone: 330 / 799-0888 • Fax: 330 / 799-5844

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September 23, 2011

Mary R. Sprunk
Office of Chief Counsel
Department of Revenue
P.O. Box 281061
Harrisburg, PA 17128-1061

Dear Mary,

As a licensed charitable games distributor and manufacturer in Pennsylvania, I am writing in response to the recent changes that were proposed to the PA Small Games Law on August 27, 2011. I am seriously concerned about the impact that these changes would have on our business and on our customers throughout Pennsylvania.

First, the proposed changes will no longer allow variety packs with one form number and different names. This change would require every game title to have a separate form number. This will be a burden on distributors and manufacturers who will be forced to limit inventory and on charities that will be forced to limit the variety that they can offer their players. In bingo, variety is the name of the game. These changes will affect the sense of entertainment, excitement and spontaneity that drives this fundraising source

In addition, the new regulations would no longer allow multiple payout options on Seal Card prizes. Realistically, no distributor can afford to purchase entire runs of each seal card option and no charity can afford to maintain the increased inventory. In turn, this would force distributors and manufacturers to select the best selling option and eliminate all others. Since Pennsylvania is the only state that is proposing these changes, manufactures and distributors would also be forced to maintain an entirely different inventory for PA tickets. Again, this is a huge financial burden and will drastically impact the games that can be offered in the state

Distributors and Manufacturers will be further burdened by enhanced invoicing requirements, forcing us to identify every game that was approved by the state on each individual invoice. This translates into an administrative nightmare, forcing us to make expensive computer system changes and incur additional expense for manpower to manage this cumbersome data.

The bottom line is that the proposed changes in Pennsylvania would cause financial hardship for manufacturers and distributors while limiting the funds that charities and Volunteer Fire Departments depend upon to serve their communities. It should also be noted that these changes would do nothing to improve the integrity, security or profitability of the games. Sadly, these changes would have no positive impact on anyone other than to make life easier for the state administrator.

Nannicola Incorporated is a small business that supports charities, employs Pennsylvanians and pays taxes. We do not deserve this additional financial burden in the midst of an already struggling economy. I respectfully request that you do not enact these changes in Pennsylvania.

Best regards,

Charles Nannicola
President

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