

IN THE MISSOURI GAMING COMMISSION

In Re:)
) DC -14-403
PNK (River City), LLC)

PRELIMINARY ORDER FOR DISCIPLINARY ACTION

Comes now the Missouri Gaming Commission acting in its official capacity pursuant to 11 CSR 45-13.050, and states as follows:

1. The Missouri Gaming Commission (the "Commission" or "MGC") is a state commission created under Chapter 313, RSMo 2000,¹ with jurisdiction over gaming activities, including riverboat gambling activities, in the State of Missouri.
2. The Commission issued Pinnacle Entertainment, Inc., a Class A gaming license to develop and operate Class B gaming licenses in the State of Missouri.
3. Pinnacle Entertainment Inc. is the parent organization or controlling entity of PNK (River City), LLC, ("Company").
4. The Commission issued a Class B riverboat gambling license to the Company to conduct games on and operate the excursion gambling boat known as *River City Casino* ("Casino").
5. As the holder of a Class B license, the Company is subject to the provisions of §§ 313.800 to 313.850, RSMo, and the regulations promulgated thereunder by the Commission.

STATEMENT OF FACTS²

6. The Casino's daily tax returns were submitted after the required noon submission deadline on 8/5/13, 8/7/13, 8/26/13, 9/6/13, 10/9/13, 1/2/14, and 1/9/14.
7. Jennifer Landfried, the Casino's Revenue Audit Manager, whose duties included submitting the Casino's daily tax returns to the MGC, failed to timely submit the Casino's daily tax returns on seven occasions.
8. Landfried admitted failing to timely file the aforementioned daily tax returns.

LAW

9. Under § 313.805(6), RSMo, the Commission may assess any appropriate administrative penalty against a licensee, including but not limited to, suspension, revocation or penalties of an amount determined by the Commission.

¹ All statutory references are to RSMo 2000, unless otherwise specified

² 20140121002

10. Section 313.812.14, RSMo, states, in pertinent part, as follows:

A holder of any license shall be subject to imposition of penalties, suspension or revocation of such license, or if the person is an applicant for licensure, the denial of the application, for any act or failure to act by himself or his agents or employees, that is injurious to the public health, safety, morals, good order and general welfare of the people of the state of Missouri, or that would discredit or tend to discredit the Missouri gaming industry or the state of Missouri unless the licensee proves by clear and convincing evidence that it is not guilty of such action. The commission shall take appropriate action against any licensee who violates the law or the rules and regulations of the commission. Without limiting other provisions of this subsection, the following acts or omissions may be grounds for such discipline.

- (1) Failing to comply with or make provision for compliance with sections 313.800 to 313.850, the rules and regulations of the commission or any federal, state or local law or regulations;
- (2) Failing to comply with any rule, order or ruling of the commission or its agents pertaining to gaming[.]

11. Title 11 CSR 45-11.040 states, in pertinent part, as follows:

- (1) The licensee shall file a tax return with the commission for each gaming day the licensee holds a Class A license and shall remit to the commission any unpaid amount shown on the return.
- (2) The tax return filed with the commission shall include the following:
 - (A) The electronic daily filing of a record of the – 1) gross receipts, 2) amount of winnings paid to wagerers, 3) resulting adjusted gross receipts, 4) amount of gaming tax, 5) admission fee liability, and 6) other information as the commission may require; using a form and set of procedures required by the commission. This portion of the return shall be deemed timely filed if received by the commission not later than 12:00 p.m. Central Standard Time on the first day financial institutions are open for business as the close of the business day on which the gaming tax and admission fee liability accrued.

* * *

- (4) The time for filing any portion of a tax return may be extended by the commission upon the submission by the licensee of a written request for extension prior to the filing due date. The commission shall not extend the time for filing any portion of a tax return by more than seven (7) days and no request for extension shall be granted without the showing of good cause. In granting a request for extension, the commission shall provide the licensee with written approval of request for extension. Approval by the commission of a request for extension shall not extend the time for payment of any gaming tax or fee.
- (5) Every licensee is required to file a tax return in accordance with the provisions of this section even if no wagers were made or admission fees charged during the period covered by the return.

VIOLATIONS

- 12. The actions or omissions of employees or agents of the Company as described above constitute failure to timely submit required tax returns to the MGC, thereby violating 11 CSR 45-11.040.
- 13. The Company is therefore subject to discipline for such violations pursuant to §§ 313.805(6), RSMo.

PENALTY PROPOSED

- 14. Under § 313.805(6), RSMo, the Commission has the power to assess any appropriate administrative penalty against the Company, as the holder of a Class B license.
- 15. THEREFORE, it is proposed that the Commission fine PNK (River City), LLC, the amount of \$5,000 for the violations set forth herein.

Darryl T. Jones
Vice-Chairman
Missouri Gaming Commission

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he caused a true and correct copy of the foregoing to be mailed, postage prepaid, this ____ day of _____, 2014, to:

Chris Plant, General Manager
River City Casino
777 River City Casino Boulevard
St. Louis, MO 63125

Darryl T. Jones
Vice-Chairman
Missouri Gaming Commission