PENNSYLVANIA GAMING CONTROL BOARD
P.O. BOX 69060
HARRISBURG, PENNSYLVANIA
17106-9060

PAUL RESCH
DIRECTOR OF GAMING OPERATIONS
Phone: (717) 214-4736
Fax: (717) 265-8323

November 9, 2009

<u>Sent via Electronic and U.S. Mail</u>
Mr. Kevin Hayes
Counsel for Valley Forge Convention Center Partners, L.P.
Doherty Hayes, LLC
1000 Bank Towers
321 Spruce Street
Scranton, PA 18503

Re: Reporting Requirements Per 58 Pa. Code § 465a.4

Dear Mr. Hayes:

To ensure continued accuracy in the reporting of gross terminal revenue to the Commonwealth, the Pennsylvania Gaming Control Board ("Board") and the Department of Revenue ("Department") require slot machine licensees to submit quarterly reports which include a detailed reconciliation of the amount invoiced by the Department to the tax accrual determined by the licensee's revenue/income audit process.

In accordance with 58 Pa. Code § 465a.4, reports must be filed within 30 days of the close of the calendar quarter with the Board's Bureau of Gaming Operations and the Department's Bureau of Fiscal Management. The reconciliation should be determined by the licensee on no less than a weekly basis and should be submitted utilizing the format prescribed by the Department (see attached).

The purpose of this correspondence is to provide you with the e-mail addresses to be used when filing these reports:

- PGCB Bureau of Gaming Operations – gamingops@state.pa.us
- DOR Bureau of Fiscal Management – bfm-gaming@state.pa.us

Additionally , please note that 4 P.S. § 1403(b) requires slot machine licensees to establish separate and distinct accounts consistent with the licensee's internal accounting system for each tax liability, fee or government obligation to be paid by the licensee. These accounts must allow for the review and audit of each tax owed to the Commonwealth and other taxing authorities.

Thank you for you cooperation in filing these reports with the Board and the Department. Should you have any questions, feel free to contact me.

Sincerely,

Paul Resch

Paul Resch
Director of Gaming Operations

PR/JOM/cw

cc:

Kevin F. O'Toole, Executive Director, PGCB
Anthony Pagliaro, Audit Manager, PGCB
Jeanne Ort-Motto, Gaming Operations Liaison, PGCB
Stacie Amsler, Department of Revenue