



## **Division of Charitable Gaming**

### **Guidelines for Conducting Raffles**

*A reference guide of Raffle operational highlights for authorized organizations, municipal clerks, and chief law enforcement officers.*

(Please refer to Section 4620.22 of our Rules for details regarding raffles operation.)

#### **The following restrictions apply to the conduct of all Raffle Categories:**

- ✓ **Raffle tickets may be sold and drawings conducted on an authorized organization's premises; during its licensed casino nights or carnival games of chance events; and during its licensed bingo occasions, in accordance with Section 4620.22(b)(5) of the Commission's Rules and Regulations;**
- ✓ **Raffle tickets, as authorized by Section 4620.22(b)(6) of the Commission's rules, may also be sold to the public outside the premises of an authorized organization or an authorized games of chance lessor, provided such sales occur in municipalities which have passed a local law, ordinance or resolution in accordance with Sections 187 and 188 of the General Municipal Law that are located in the county in which the municipality that the authorized organization is located, and in the counties which are contiguous to the county in which the municipality that the authorized organization is located, provided those municipalities have authorized the licensee, in writing on a Raffle Consent Form, to sell such raffle tickets therein;**
- ✓ **Raffle drawings, however, can only be conducted on an authorized organization's premises; the premises of an authorized lessor (that must also be an authorized organization); or municipally owned property**
- ✓ **Only persons eighteen years of age or older shall purchase raffle tickets, sell raffle tickets, or conduct or assist in the conduct of a raffle drawing;**
- ✓ **No sale of raffle tickets shall be made more than one hundred eighty days prior to the date scheduled for the occasion at which the raffle will be conducted;**
- ✓ **Raffle tickets can be sold by a member of an authorized organization eighteen years of age or older, and may also be sold by any person eighteen years of age or older that has a blood relationship or affinity with a member of the authorized organization conducting the raffle pursuant to Rule 4620.22(b)(11), or a by any person eighteen years of age or older that has a blood relationship or affinity with a member of an authorized organization that is auxiliary to, or an affiliate of, the authorized organization conducting the raffle;**

- ✓ **The winner of any raffle prize shall not be required to be present at the time such raffle drawing is conducted;**
- ✓ **Pursuant to Article I, Section 9 of New York’s Constitution, the Games of Chance Licensing Law, and the Commission’s Rules and Regulations, all proceeds derived from games of chance, including raffles, must be disbursed solely for lawful purposes in accordance with Section 189 of the General Municipal Law and Part 4624 of the Commission’s Rules and Regulations;**
- ✓ **Pursuant to statute, no single prize in any raffle can exceed \$100,000;**
- ✓ **The maximum aggregate value of prizes that an organization can award in any one calendar year in all of the different types of raffles, combined cannot exceed \$2,000,000.**

### **Raffle Categories**

**Please select the raffle category below that best describes the type of raffle your authorized organization intends to conduct:**

- A. If you intend to operate a raffle in which the cumulative net proceeds for all raffles conducted during the calendar year will meet or exceed \$30,000, please read **Raffle Category 1** on Page Three.
- B. If you intend to operate a raffle in which the cumulative net proceeds will meet or exceed \$5,000 per drawing or \$20,000 total in a calendar year but will not meet or exceed \$30,000, refer to **Raffle Category 2** on Page Four.
- C. If you intend to operate a raffle in which the net proceeds derived from a single raffle will be less than \$5,000 and the cumulative net proceeds for all raffles conducted during the calendar year will not meet or exceed \$20,000, refer to **Raffle Category 3** on Page Six.

### **Raffle Category 1**

**When conducting raffles in which the cumulative net proceeds for all raffles conducted during the calendar year will meet or exceed \$30,000, the authorized organization must:**

- **File a Games of Chance License application with their municipal clerk using forms GC-2, GC-2A, and GC-2B, along with a \$25.00 annual license fee;**
- **Apply for and obtain a Games of Chance Identification Number from the Commission;**

- **Obtain a Games of Chance License issued by the municipal clerk on Form GC-5;**
- **Maintain a special raffle or games of chance checking account into which all raffle proceeds will be deposited, and from which such funds will be lawfully disbursed in accordance with Section 4624 of the Commission’s Rules and Regulations;**
- **Ensure that no single prize awarded in a raffle shall exceed the sum or value of fifty thousand dollars, except that an authorized organization may award by raffle a single prize having a value of up to and including one hundred thousand dollars if its application for a license includes a statement of its intent to award a prize having such value (see Rules 4622.12 and 4622.13);**
- **File a financial statement of raffle operations on Form GC-7R with the municipal clerk and the Commission by January 30th of the following year;**
- **Remit an additional license fee to the municipality (or county fiscal officer, if applicable) assessed at 2% of the net profits of \$30,000 or more (Note: There is no additional license fee paid on the first \$29,999 derived in net profits.);**
- **Raffle tickets may be sold and drawings conducted on an authorized organization’s premises; during its licensed casino nights or carnival games of chance events; and during its licensed bingo occasions, in accordance with Section 4620.22(b)(5) of the Commission’s Rules and Regulations;**
- **Only persons eighteen years of age or older shall purchase raffle tickets, sell raffle tickets or conduct or assist in the conduct of a raffle drawing;**
- **Raffle tickets, as authorized under Section 4620.22(b)(6) of the Commission’s Rules and Regulations, may also be sold to the public outside the premises of an authorized organization or an authorized games of chance lessor, provided such sales occur in municipalities which have passed a local law, ordinance or resolution in accordance with Sections 187 and 188 of the General Municipal Law that are located in the county in which the municipality in which the authorized organization is located, and in the counties which are contiguous to the county in which the municipality in which the authorized organization is located, provided those municipalities have authorized the licensee, in writing on a Raffle Consent Form, to sell such raffle tickets therein;**
- **Raffle tickets can be sold by a member of an authorized organization licensed to conduct raffles who is at least eighteen years of age, and may also be sold by any person at least eighteen years of age with a blood relationship or affinity with a member of an authorized organization licensed to conduct a raffle pursuant to Section 4620.22(b)(11) of the Rules, or a by any person at least eighteen years of age with a blood relationship or affinity with a member of an authorized organization conducting a raffle pursuant to the provisions of Section 190-a of the General Municipal Law; and**

Pursuant to Article I, Section 9 of New York's Constitution, the Games of Chance Licensing Law and the Commission's Rules and Regulations, all proceeds from Category 1 Raffles must be deposited into a Special Raffle, or Special Games Of Chance Checking Account, as required by Rule 4624.8, and all funds must be disbursed only for lawful expenditures permitted under Rule 4624.21.

### Raffle Category 2

When conducting raffles in which the net proceeds derived from a single raffle will meet or exceed \$5,000 or the cumulative net proceeds for all raffles conducted during the calendar year will meet or exceed \$20,000 in a calendar year, but will be less than \$30,000, the authorized organization must:

- Apply for and obtain a Games of Chance Identification Number from the Commission;
- File a verified statement with the municipal clerk on Form GCVS-1 attesting that the cumulative net proceeds for all raffles conducted during that calendar year will be less than \$30,000;
- Ensure that no single prize awarded in a raffle shall exceed the sum or value of \$100,000;
- All proceeds derived from the conduct of raffles shall be deposited into a bank account maintained solely by the authorized organization to be disbursed only for the lawful expenditures permitted under Section 4624.21 of the Commission's Rules and Regulations;
- File a verified statement with the municipal clerk and the Commission at the end of the calendar year on Form GCVS-2 attesting that the cumulative net proceeds for all raffles conducted during that calendar year were less than \$30,000, and that such proceeds have been deposited into a bank account to be disbursed only for the lawful expenditures permitted under Section 4624.21 of the Commission's Rules and Regulations;
- Raffle tickets may be sold and drawings conducted on an authorized organization's premises; during its licensed casino nights or carnival games of chance events; and during its licensed bingo occasions, in accordance with Section 4620.22(b)(5) of the Commission's Rules and Regulations;
- Only persons eighteen years of age or older shall purchase raffle tickets, sell raffle tickets or conduct or assist in the conduct of a raffle drawing;
- Raffle tickets, as authorized under Section 4620.22(b)(6) of the Commission's Rules and Regulations, may also be sold to the public outside the premises of an authorized organization or an authorized games of chance lessor, provided such sales occur in municipalities which have passed a local law, ordinance or resolution in accordance with Sections 187 and 188 of the General Municipal Law that are located in the county in which the municipality in which the authorized organization is located, and in the counties which

are contiguous to the county in which the municipality in which the authorized organization is located, provided those municipalities have authorized the licensee, in writing on a Raffle Consent Form, to sell such raffle tickets therein;

- Raffle tickets can be sold by a member of an authorized organization licensed to conduct raffles who is at least eighteen years of age, and may also be sold by any person at least eighteen years of age with a blood relationship or affinity with a member of an authorized organization licensed to conduct a raffle pursuant to Section 4620.22(b)(11) of the Rules, or a by any person at least eighteen years of age with a blood relationship or affinity with a member of an authorized organization conducting a raffle pursuant to the provisions of Section 190-a, Article 9-A, of the General Municipal Law;
- Pursuant to Article I, Section 9 of New York’s Constitution, the Games of Chance Licensing Law and the Commission’s Rules and Regulations, all proceeds from Category 2 Raffles must be deposited into a bank account maintained solely by the licensed authorized organization to be disbursed only for lawful expenditures permitted under Section 4624.21 of the of the Commission’s Rules and Regulations; and
- Note: If, during the course of that calendar year licensed period the cumulative net proceeds derived from the conduct of raffles reach or exceed \$30,000, the authorized organization shall, as outlined in Raffle Category 1 above, apply for a license, file a GC-7R financial statement, and remit an additional license fee.

### Raffle Category 3

When conducting raffles in which the net proceeds derived from a single raffle will be less than \$5,000 and the cumulative net proceeds for all raffles conducted during the calendar year will be less than \$20,000, the authorized organization must:

- Following an examination of its charter, certificate of incorporation or constitution, the organization’s principal officers must make a self-determination in good faith that the organization meets the qualifications of an “authorized organization” as that term is defined in Section 190-a (2) of the General Municipal Law;
- Raffle tickets may be sold and drawings conducted on an authorized organization’s premises; during its licensed casino nights or carnival games of chance events; and during its licensed bingo occasions, in accordance with Section 4620.22(b)(5) of the Commission’s Rules and Regulations;
- Only persons eighteen years of age or older shall purchase raffle tickets, sell raffle tickets, or conduct or assist in the conduct of a raffle drawing;
- Raffle tickets, as authorized under Section 4620.22(b)(6) of the Commission’s Rules and Regulations, may also be sold to the public outside the premises of an authorized organization or an authorized games of chance lessor, provided such sales occur in

**municipalities which have passed a local law, ordinance or resolution in accordance with Sections 187 and 188 of the General Municipal Law that are located in the county in which the municipality in which the authorized organization is located, and in the counties which are contiguous to the county in which the municipality in which the authorized organization is located, provided the licensee has received written approval, on a form prescribed by the Commission, from each municipality to sell raffle tickets therein and provided that no sale of raffle tickets shall be made more than 180 days prior to the date scheduled for the final drawing of the winning raffle ticket(s);**

- **Raffle tickets can be sold by a member of an authorized organization eighteen years of age or older, and may also be sold by any person eighteen years of age or older with a blood relationship or affinity with a member of an authorized organization licensed to conduct a raffle pursuant to Section 4620.22(b)(11) of the Rules, or a by any person eighteen years of age or older with a blood relationship or affinity with a member of an authorized organization conducting a raffle;**
- **All proceeds derived from the conduct of raffles shall be deposited into a bank account maintained solely by the authorized organization to be disbursed only for the lawful expenditures permitted under Section 4624.21 of the Commission’s Rules and Regulations;**
- **Pursuant to Article I, Section 9 of New York’s Constitution, the Games of Chance Licensing Law and the Commission’s Rules and Regulations, all proceeds derived from games of chance, including raffles, must be disbursed solely for lawful purposes in accordance with Section 4624 of the Commission’s Rules and Regulations; and**
- **Note: If, during the course of a calendar year in which raffles are conducted the net proceeds for a single raffle reach or exceed \$5,000 or the cumulative net proceeds derived from the conduct of all raffles during a calendar year reach or exceed \$20,000, the authorized organization shall apply for and obtain a Games of Chance Identification Number from the Commission and follow the licensing and filing requirements outlined in either Raffle Category 1 or Raffle Category 2 above, as applicable, depending upon the thresholds reached for the net proceeds derived from a single raffle, or the cumulative net proceeds derived from all raffles conducted during that calendar year.**