

## Raffles Fact Sheet

**Please note that “raffles” are legally a form of lottery**

### **1) When do the rules governing lotteries apply?**

The rules governing lotteries apply whenever a raffle, draw, or other type of lottery is taking place.

### **2) What are the rules governing lotteries?**

The rules vary depending on what type of lottery is taking place. There are three types:

- A) A lottery being run as part of an event/ entertainment – a “small lottery”
- B) A society lottery
- C) A private lottery

Work out which type of lottery is being run and then follow the relevant rules:

| <b>Type of lottery</b>  | <b>Characteristics</b>   | <b>Rules</b>  |
|---|--|---|
| A lottery being run as part of an event/ entertainment – a <b>“small lottery”</b> | Tickets must be sold within the time and place of the entertainment<br><br>The raffle/ lottery must be drawn during the event. | <ol style="list-style-type: none"><li>1) Tickets can only be sold within the time and place of the entertainment</li><li>2) The raffle/ lottery must be drawn within the time and place of the entertainment</li><li>3) No more than £250 should be paid for the prizes (this does not include donated gifts.)</li><li>4) There can be no cash prizes (although gift vouchers are ok .)</li><li>5) All the proceeds of the lottery/raffle must be donated to the charity not just a percentage of the ticket price.</li></ol> |

| Type of lottery                 | Characteristics  | Rules  |
|---------------------------------|--|--|
| <p><b>A Society lottery</b></p> | <p>Enables tickets to be sold over a period.</p> <p>The lottery is run by a society or organisation and must be registered with either the local authority or the Gaming Board for Great Britain.</p> <p>Individuals can register with the local authority as “Mr/ Ms.....raising money for Breakthrough Breast Cancer” In no circumstances should it be registered as Breakthrough Breast Cancer.</p> | <ol style="list-style-type: none"> <li>1) The lottery must be registered with the local authority. There will be a fee for this.</li> <li>2) If tickets sold in one lottery amount to over £20 000 or if it is planned to sell more than £250 000 worth of tickets in a calendar year it must be registered with the Gaming Board instead of the local authority. There will be a fee for this.</li> <li>3) The maximum price you can charge for each ticket is £2 (but unlike private lotteries they can be sold to the general public)</li> <li>4) There are strict rules on what must be printed on the tickets – these will be listed by the local authority/ Gaming board on registration and must be complied with.</li> </ol> |
| <p>A private lottery</p>        | <p>Where tickets are sold to people living or working in the same premises</p> <p>It is not generally used because of the restrictions on ticket sales.</p>  | <ol style="list-style-type: none"> <li>1) Tickets can only be sold to people who live or work on the same premises or are members of an organisation whose primary purpose is not any form of betting or gaming.</li> <li>2) You must only advertise the lottery on the tickets or the premises.</li> </ol>  |

**3) Can supporters run Society Lotteries under the Breakthrough lottery gaming licence?**

No. Unfortunately due to the administrative burden of running lotteries it is not cost effective to run lotteries through the Breakthrough lottery gaming licence

**4) I've decided to run a Society Lottery. What is the next step?**

Contact your local authority to register with them as a society lottery. The local authority will charge for registration according to their rates. The registration fees are a legitimate expense which can be taken off the lottery proceeds.

Gaming Board expenses are very high in comparison.

**5) Examples of events using the above rules**

**Example 1**

Can a Challenger raffle tickets for a valuable painting from June to December and donate all the proceeds to Breakthrough:

A Challenger can raffle tickets for the painting over a period of time (in this case from June to December) provided they register as a "Society Lottery".

The two ways in which she would be able to raffle the hand woven basket would be:

a) to register with the local authority as "Ms.... raising money in aid of Breakthrough Breast Cancer" (ie as a Society Lottery) and then comply with the rules for society lotteries. Once registered she would be able to sell tickets from June to December - but she would have to comply with rules such making sure the raffle tickets do not cost more than £2.

or

b) to sell raffle tickets for the painting at an event eg at a ball or a craft fair and on the same day hold the raffle for the painting.

**Example 2**

Can there be a raffle collection for Breakthrough where tickets will be sold and the raffle held during a ball

The raffle collection as part of the event is fine as long as money does not form part of the raffle prize (gift vouchers do not count as money), and all the proceeds from the raffle is donated (not just a percentage of the raffle ticket price).

The law relating to lotteries is complex and these answers are not comprehensive. Please read the Gaming Board publication, Lotteries and the Law, available from [www.gbgb.org.uk](http://www.gbgb.org.uk), or contact Breakthrough for further information.