FAQ: Conducting the authorised game of raffles

What is a raffle and how is it played?

A raffle is a game of chance where participants have the chance to win prizes by purchasing a ticket in a draw. On the nominated draw date tickets are drawn to determine the winner/s. There must be a random and equal chance of every ticket being drawn. The first ticket to be drawn wins the most valuable prize, the second ticket drawn wins the second most valuable prize, and so on.

Do I need a minor gaming permit?

You need a minor gaming permit to conduct a raffle in Tasmania if the total value of all the prizes in your raffle is more than \$10,000. This is known as the **authorised game of raffles**. You must comply with the rules of the authorised game of raffles, as well as the conditions issued on your minor gaming permit.

A raffle is considered to be conducted within Tasmania if the sale of the ticket happens in Tasmania. This includes if a ticket is issued, or an acknowledgement of the sale of a ticket is issued, at or from premises situated in Tasmania.

What about raffles run interstate?

If the sale of tickets is done entirely online via an online platform which is not based in Tasmania, then a minor gaming permit in Tasmania is not required, even if the game is advertised and marketed in Tasmania. However, if any sales, including cash sales, are made in Tasmania, then a permit will be required.

How do I calculate the total value of the prizes in my raffle?

When calculating the total cost of the prizes available in your raffle, to determine whether you need a minor gaming permit, the figure is the <u>total sum of all the available prizes</u> (not just the largest prize) and is based on the estimated retail value of the prize (not the cost incurred in obtaining the prize).

For example, even if the prizes have been donated to the raffle or have been purchased by the raffle organiser at a discount, you will still need to know the retail value of all items.

Can I claim any costs or expenses to run the game?

The proceeds of all raffle games must be used for the lawful purposes of a not-for-profit organisation or a charitable purpose, and not for the private gain or benefit of any individual except by way of charity.

Often, raffle prizes will have been donated by individuals or businesses at little or no cost to the person operating the raffle. However, if the person conducting the raffle has incurred cost in obtaining prizes, then these costs can be claimed, but only if they are reasonable.

Similarly, often a raffle will be conducted by volunteers who donate their time and resources to the raffle. However, if the person conducting the raffle has incurred some operational costs in running the raffle (such as printing tickets, etc.) then these can be claimed, but, again, only if they are reasonable.

All the rest of the money raised from ticket sales must be used for the not-for-profit organisation or the charitable purpose.

The minor gaming permit holder will need to keep records of all the costs incurred in running the raffle, as well as the amount distributed to the not-for-profit organisation or charitable purpose. If any third party is receiving remuneration to conduct or promote the raffle, this information must be recorded and must also be made known to participants in advance, including the identity of the third party, the nature of their involvement and the nature of their remuneration.

Can children play raffles?

Children under the age of 18 must not buy tickets for an authorised raffle, with a total prize value of more than \$10,000. This is a requirement of the *Gaming Control Act 1993*, which makes it an offence to sell a ticket for an authorised game of raffles to a child.

What prizes can I offer?

Certain items are prohibited as prizes, including tobacco, firearms or ammunition, dangerous articles, and cosmetic surgery procedures.

Cash is permitted as a prize, but the total value of all cash, or cash equivalent, prizes in a raffle must not exceed \$5,000. This includes pre-paid debit cards, gold bullion and non-specific vouchers, all of which count towards the maximum total value of \$5,000 for any single raffle.

Is ticket bundling allowed?

For authorised raffles, all tickets must be sold for the same price, meaning that ticket bundling is not allowed.

How must the raffle be drawn?

The first ticket drawn MUST win the most valuable prize, the second ticket won must win the second most valuable prize, and so on.

However, the prize winners can be announced to participants in any order. For instance, they can be read out backwards, with the least valuable prize announced first, provided they are drawn in the correct order.

"Reverse draw" raffles, where the first ticket wins the least valuable prize, and so on, are not allowed.

The raffle must not be abandoned due to lack of ticket sales, and the draw must take place within 12 months of the commencement of ticket sales.

The draw must ensure that each ticket has a random and equal chance of winning, and the winner does not need to be present at the draw to win.

How should I provide information to players?

The minor gaming permit holder has an obligation to provide specified information to participants in advance of them purchasing a ticket. Details of these requirements can be found in the rules.

This is to ensure that players have all the information that they need to make an informed decision about whether to buy a ticket. This information should be readily available to the players. For example, it could be printed on the ticket itself and on the advertising materials such as posters or flyers which are displayed where the tickets are sold.

How do I keep the required records?

The minor gaming permit holder has an obligation to keep records about the raffle which has been conducted. The requirements about what records must be kept are set out in the rules.

The forms that must be used can be found on the "forms" section of the website - Forms Treasury and Finance Tasmania