

Raffles (Vic)

Legal information for Victorian community organisations

This fact sheet covers:

- ▶ what is a raffle?
 - ▶ what laws are relevant and who regulates raffles in Victoria?
 - ▶ do you need to register to conduct a raffle in Victoria?
 - ▶ is a 'minor gaming permit' required?
 - ▶ what other legal obligations do you have if you conduct a raffle?
 - ▶ what are the requirements for raffle prizes?
 - ▶ what are the requirements for raffle tickets?
 - ▶ what records must be kept?
 - ▶ can someone run a raffle on behalf of a community organisation?
 - ▶ how are raffle ticket sales treated for tax purposes?
 - ▶ important things to consider before holding a raffle
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This information is for community organisations that want to know more about the legal requirements for conducting raffles in Victoria.

A special legal regime applies to raffles held or promoted in Victoria. Only community or charitable organisations can hold raffles in Victoria (discussed further below).



Note

This fact sheet provides information on raffles in Victoria. This information is intended as a guide only and is not legal advice. If you or your organisation has a specific legal issue, you should seek legal advice before making a decision about what to do.

Please refer to [the full disclaimer](#) that applies to this fact sheet.

What is a raffle? What laws are relevant and who regulates raffles in Victoria?



What is a raffle?

A raffle is a lottery where people buy tickets for a chance to win the prizes offered in the raffle.

In Victoria, the [Gambling Regulation Act 2003 \(VIC\)](#) and the [Gambling Regulations 2015 \(VIC\)](#) (**Gambling Laws**) govern the conduct of raffles.

Victoria's Gambling Laws are administered and regulated by the Victorian Commission for Gambling and Liquor Regulation (**VCGLR**), which is a government agency under the Victorian Department of Justice and Regulation.

If your organisation wants to conduct a raffle in another state or territory (in addition to Victoria), you must also comply with the laws of that other state or territory.



Related Not-for-profit Law resources

This fact sheet covers raffles only. Please refer to our [fundraising](#) and [trade promotions](#) webpages for further information relating to those activities and requirements in Victoria.

Do you need to register to conduct a raffle in Victoria?

Yes. To conduct any raffle in Victoria, your organisation needs to be 'declared' (in effect, registered) as a community or charitable organisation by the VCGLR.

What kinds of organisations can be declared?

To be eligible as a 'declared' community or charitable organisation, an organisation must be:

- conducted in good faith
- established as a not for profit organisation, and
- be a community or charitable organisation, a sporting or recreational club, or an organisation conducting the activity for the purposes of a political party

An organisation may be declared as a 'community or charitable organisation' if it is conducted for any philanthropic or benevolent purpose, including the promotion of art, culture, science, religion, education or charity.

Types of organisations that may be declared as a 'sporting or recreational club or organisation' include Apex, Lions, Rotary or other types of special interest social or recreational clubs (for example, vintage car clubs).

How to apply

To apply to become declared as a community or charitable organisation, you apply to the VCGLR by downloading, completing and lodging the 'Declaration as a community or charitable organisation application form' from the [VCGLR website](#). VCGLR recommends that an application to be 'declared' be lodged at least 28 days before selling any raffle tickets.

The application for declaration can take up to 28 days to process. Once your organisation has been 'declared', the organisation's name will go onto a publicly-searchable register hosted on the [VCGLR](#)

[website](#). The declaration will be valid for 10 years from the date of approval (unless earlier revoked by VCGLR or renounced by the organisation).

Is a 'minor gaming permit' required?



Note

Raffles with a prize value greater than \$5,000 are required to have a minor gaming permit.

A person aged 18 years or more may conduct a raffle in Victoria without a minor gaming permit if:

- the value of the prize does not exceed \$5,000, and
- the net proceeds of the raffle are to be paid into a separate bank account in the name of the community or charitable organisation to be used exclusively for:
 - any philanthropic or benevolent purpose
 - the purposes of any sporting or recreational club or association of a prescribed kind, or
 - the purposes of a political party

How to apply



Note

You must already be a declared community or charitable organisation, or have applied to become a declared community or charitable organisation, before lodging the application for the minor gaming permit.

To apply for a minor gaming permit for a raffle see the VCGLR's [Frequently Asked Questions](#) which includes a link to the minor gaming permit application form. The form requires a description of each prize in the raffle.

The minor gaming permit application must be lodged with the VCGLR more than 21 days before any raffle tickets are sold. If you don't have 21 days, you may call the VCGLR and request the application be processed quickly, but there is no guarantee that this will be granted.

If your organisation holds a minor gaming permit, it must appoint a nominee to be approved by the VCGLR. As part of your application for the VCGLR, you may be required to obtain a credit check, have your fingerprints recorded or obtain a National Police Certificate.

The nominee is responsible to ensure that the activity is conducted in compliance with the Gambling Laws, rules of the raffle and permit conditions. The nominee is the person responsible for the permit and the conduct of the raffle. Should the nominee change, your organisation must notify the VCGLR as soon as the change occurs. Another person must be nominated and approved by the VCGLR, within seven days after the nominee's resignation, dismissal or leaving unless the VCGLR allows a longer period.

If a nominated person resigns, is dismissed or leaves the community or charitable organisation, the directors of your organisation or the members of the managing committee of the organisation (as the case may be) are all separately responsible and liable as holders of the permit until another person is nominated and approved by the VCGLR.

Your organisation must also maintain an account at an authorised Victorian deposit-taking institution for all financial transactions relating to any minor gaming activity.

What other legal obligations do you have if you conduct a raffle?

In all raffles (whether a permit is required or not):

- the method of the draw must allow each ticket in the draw a random and equal chance of being drawn, and
- if there is more than one prize, the first ticket drawn must win the first prize (the most valuable prize)

The legal requirements for running a raffle depend on the prize value of the raffle.

In Victoria, raffles are divided into three types according to the total prize value of the raffle. In general, the legal requirements increase with the size of the prize pool. Some of these requirements are set out below.

You should ensure that all materials that contain a description of when and how the raffle is to be held or any description of the prizes are accurate and do not contain misleading or deceptive statements.

1. Small raffles (prize pool of \$500 or less)

- If your raffle has a prize pool of \$500 or less where the first ticket is sold on the same day the raffle is drawn, your raffle may be considered to be a small raffle. **However**, if in an 8-hour period your organisation conducts two or more raffles that have a combined prize pool of more than \$1,000, your raffles will no longer qualify as small raffles even if the individual prize pool of each raffle is \$500 or less.
- No permit is required to conduct a small raffle.
- You are not required to have printed tickets.
- The total value of tickets available for sale in a small raffle must be more than twice, but less than six times, the total value of the prizes.
- You must keep a record of the distribution of funds and prizes for three years.
- If, after drawing the small raffle, a winner doesn't come forward within a reasonable amount of time following the announcement of the winning number, a redraw must take place.

2. Raffles with a prize pool \$5,000 or less (that is not a small raffle)

- If your raffle is not a small raffle but has a prize pool less \$5,000 or more, you will not be required to obtain a minor gambling permit, but further conditions apply.
- You are required to have printed tickets (this includes e-tickets).
- Ticket sellers must be 18 years old age or more.
- Ticket sellers should obtain enough information when selling tickets to be able to identify and locate the winners (for example, name, address and phone number).
- The total value of tickets available for sale in the raffle must be more than twice, but less than six times, the total value of the prizes.
- You can sell tickets for up to three months.
- The raffle draw must take place on the date printed on the tickets, which must not be more than 14 days after the date of the proposed last ticket sales.
- A ticket which has been drawn is not eligible to be drawn again.
- If, after drawing the raffle, you can't locate the winner, you should contact the VCGLR by phone on 1300 182 457.

3. Raffles with a prize pool of more than \$5,000

- If your raffle has a prize pool greater than \$5,000, a minor gaming permit is required.
- In this case you must comply with the conditions of the minor gambling permit, including:
 - tickets can only be sold for the period authorised on the permit, which will not exceed two years, unless cancelled or surrendered earlier
 - the number of tickets must not exceed the number authorised in the permit
 - if there is more than one prize, the first raffle ticket drawn must win the first prize



- a permanent record of sufficient information must be made to identify and locate the person to whom the ticket is sold (for example, name, address and phone number)
- a ticket which has been drawn is not eligible to be drawn again
- you are required to have printed tickets (this includes e-tickets), and
- if, after drawing the raffle, you can't locate the winner, you should contact the VCGLR by phone on 1300 182 457

What are the requirements for raffle prizes?

In Victoria, money (cash), stocks and shares can't be offered as prizes in a raffle. However, cash may be offered as a prize where it is associated with a travel or accommodation prize, in which case a maximum of 10% of the total value of the travel prize can be cash. For example, if you offer a travel prize worth \$10,000, then a maximum of \$1,000 spending money can be given with the prize.

If liquor is being offered as a prize you can't sell a raffle ticket to a person under the age of 18. You should apply for a temporary limited liquor licence authorising the supply liquor for consumption off the premises if the organisation is unlicensed and wishes to conduct a raffle with alcohol as a prize.

Prizes must be given to winners within 28 days of the raffle draw, unless winners can't be identified or located, or do not wish to accept the prize.

Unclaimed prizes

If a winner doesn't claim a prize in a raffle and the person conducting the raffle can't, after a reasonable effort, locate the winner of the prize, the community or charitable organisation to benefit from the raffle must:

- retain the prize for three months after the draw, or
- if the prize is livestock or property of a perishable nature, sell the prize for a reasonable price and retain the proceeds (after deducting the reasonable costs of the sale) for 12 months after the draw

If the prize has still not been claimed after 12 months, the community or charitable organisation must sell or otherwise dispose of the prize, if this has not already been done, and pay the proceeds (after deducting the reasonable costs of the sale or disposal) to the Treasurer of Victoria for payment into the Consolidated Fund. See the [VCGLR webpage on unclaimed winnings](#) for more information.

What are the requirements for raffle tickets?

Unless the raffle is a 'small raffle', a community or charitable organisation must print tickets (e-tickets are permissible). The results of raffle draws with prize pools greater than \$500 must be published and winners notified in the manner printed on the tickets.

The following ticket requirements apply:

1. Tickets for a small raffle (prize pool of \$500 or less)

Tickets for a small raffle (\$500 or less) may be either:

- a blank raffle book numbered on both butt and the ticket, or
- where the method of the draw is to be a spinning wheel, buttless numbered tickets, from a perforated ticket sheet, having no more numbers than there are divisions on the wheel

2. Tickets for raffles with a prize pool of \$500 - \$5,000

Tickets for raffles with a prize pool more than \$500 and less than or equal to \$5,000 must have the following printed on each ticket:

- the name of the community or charitable organisation to benefit from the raffle, the name of the political party to which all or part of the proceeds are to go to, or both
- the ticket price
- a description of each prize and its value
- the date, time and location where the raffle will be drawn, and
- the method of publication or notification of results



3. Tickets for raffles with a prize pool of more than \$5,000

Tickets for raffles with a prize pool greater than \$5,000 must have the following printed on each ticket:

- the name of the minor gaming permit holder
- the minor gaming permit number
- the ticket price
- the maximum number of tickets authorised by the minor gaming permit
- a description of each prize and its retail value
- when and where the raffle will be drawn
- the method of publication or notification of results
- details of any book-buyer's prize authorised under the minor gaming permit
- if the whole or part of the proceeds are for a political party – the name of the political party, and
- if the nominee is not an employee of the raffle permit holder and will receive payment (other than reasonable out-of-pocket expenses), or the raffle permit holder or the nominee has an agreement or arrangement with a person (other than an employee of the permit holder) to promote or conduct the raffle for reward, that fact (including the name and, if applicable, ACN of the nominee or person promoting or conducting the raffle for reward) must be printed on every ticket or on all material advertising the raffle

What records must be kept?

Requirements to keep records vary, depending on the size of the prize pool of the raffle.

If your raffle is a small raffle or if the total value of the prizes \$5,000 or less, you must keep a record of the distribution of funds, details of tickets printed (unless 'small raffle'), and prizes for three years.

If the total value of the prizes offered in the raffle is more than \$5,000, you must keep a record of the following information for three years:

- how tickets are sold
- how the sales were publicised
- names of entrants
- how many tickets were sold (to each person)
- how many tickets were returned (from each person)
- how much money was remitted
- when and how the raffle was drawn
- names and addresses of winners, and
- description (including retail value) of the prizes

Can someone run a raffle on behalf of a community organisation?

A person or organisation can only run a raffle on behalf of a community organisation:

- if the community organisation has been 'declared' by the VCGLR, and
- the governing body of your organisation (for example, the committee of management or board of directors) has given them written consent to do so

If the person or organisation that is going to conduct a raffle on a community organisation's behalf (whether conducting a raffle in whole or in part) is being paid for their services, they will need to obtain a 'Commercial Raffle Organisers Licence' from the VCGLR. A Commercial Raffle Organiser's Licence is not transferrable to any other person.

Agreement with Commercial Raffle Organisers

If your organisation intends to hire a licensed Commercial Raffle Organiser (**CRO**) to run either the whole, or part, of a raffle, you will need to enter into an agreement with the holder of the CRO's licence.

The licensed CRO is solely liable under the Gambling Laws in respect of the functions performed by it as if it were the community or charitable organisation. However your organisation will still need to comply with the contractual obligations under the agreement with the CRO so you should consider whether legal advice is required before entering into the agreement.

How are raffle ticket sales treated for tax purposes?

Income tax

If your organisation is exempt from paying income tax it will be exempt from paying income tax on proceeds it receives from a raffle.



Related Not-for-profit Law resources

For more information about whether your organisation is exempt from paying income tax see our webpages on [getting started](#) and [tax](#).



Related resources

If the organisation is not exempt from income tax, raffle sales will generally be included as assessable income for the purposes of income tax, although there may be some deductions available. For more information, see [the ATO's guide to gifts and fundraising](#) or seek specific legal or accounting advice.

The cost of buying a raffle ticket is not tax deductible for a person even if the organisation running the raffle is endorsed as a deductible gift recipient. Your community organisation should not issue tax deductible receipts or represent or imply that the cost of raffle tickets is tax deductible.

Goods and services tax (GST)

If your community organisation has been specifically endorsed by the ATO as a tax concession charity (**TCC**) or a deductible gift recipient (**DGR**), it will be not required to pay GST on the price of raffle tickets sold. If your organisation is not endorsed as a TCC or DGR, whether it is required to pay GST will depend on whether the organisation is registered, or required to be registered, for GST.



Related Not-for-profit Law resources

For more information on TCC, DGR and GST see our webpage on [tax](#).

Important things to consider before holding a raffle

Depending on the size of the raffle being held, you may wish to consider:

- whether your organisation needs to clearly set out the terms and conditions of the raffle. This could be done by listing the full terms and conditions on your organisation's website and the tickets or promotional materials could refer to the website for full details
- whether it is useful to have a FAQs about the raffle (for example, on your organisation's website)
- whether your organisation requires legal advice to develop terms and conditions to ensure compliance with Victoria's Gambling laws, including minor gaming permit (if one is required)



- whether a written agreement with a third party is required where prizes are being donated by third party organisations, and
- if you have or need a sponsorship arrangement (these may be businesses that donate prizes as part of the raffles, in return for your organisation's promotion of their name or association with the raffle – for example, the sponsor's name is listed as a sponsor in promotional advertising or on your website in connection with the raffle)

Sponsorship

If you are seeking sponsorship for the raffle, it would be prudent for your organisation to enter into written agreements so that the rights and obligations of your organisation are clear.

If your organisation is entering into a written agreement with a sponsor, your organisation should consider the issues listed in the checklist below.

Sponsorship checklist

- is donation of prizes without charge to your organisation? (ie. are the goods or services provided for free?)
- does your organisation require a licence from the sponsor to be granted to use trade marks to promote the raffle and acknowledging your sponsor?
- does your organisation require a licence to use prize images in the advertising of the raffle?
- should details about the nature (for example, new, unused, undamaged) and delivery of prizes to your organisation or the winners of the raffle be recorded in the agreement for clarity?
- who is responsible for risk and insurance in respect of prizes?
- are there any privacy issues relating to a raffle prize winner?
- if there are defects from goods awarded as prizes, will the sponsor (or original manufacturer of the prizes) be assisting your organisation to rectify the defects and cover potential claims against your organisation for those defective prizes?

You may wish to seek legal advice on the contents of a written agreement.

Resources

Not-for-profit Law resources

The [Not-for-profit Law website](#) contains many fact sheets on different topics. The following topics contain relevant further information:

- ▶ [Fundraising and events](#)

This page contains resources on the main legal issues when fundraising

- ▶ [Communications and advertising](#)

This page offers information on advertising and promotions and social media, such as Facebook and Twitter.

- ▶ [Tax](#)

The tax page has information about different tax concessions available to charities and not-for-profits.

Related resources

Victorian Commission for Gambling and Liquor Regulation (VCGLR) resources

- ▶ [VCGLR home page](#)

This link is to the Victorian Commission for Gambling and Liquor Regulation (VCGLR) home page. The VCGLR regulates the running of raffles in Victoria.

- ▶ [Community and Charitable Raffles](#)

This page of the VCGLR site provides community organisations with information about raffles. This page also includes a link to more information and the relevant application form.

- ▶ [VCGLR fees and fines page](#)

This page on the VCGLR sets out a link to their fees and fines.

- ▶ [List of Declared Community and Charitable Organisations](#)

Australian Tax Office (ATO) resources

- ▶ [ATO's Fundraising Guide](#)

The ATO's fundraising guide is to provide community organisations with information about the tax treatment of money raised through fundraising.

- ▶ [ATO summary of laws that regulate raffles in other jurisdictions](#)

This page in the ATO's site provides a summary of the laws relating to raffles and gaming in other State and Territory jurisdictions. Use the menu on the right hand side to select the jurisdiction.

Legislation

- ▶ [Gambling Regulation Act 2003 \(VIC\)](#)

- ▶ [Gambling Regulations 2015 \(VIC\)](#)