

## Requirements For Raffles

For a lodge, chapter, association or other fraternal unit to conduct a raffle, the following conditions apply:

1. The fraternal unit must obtain a dispensation if raffle tickets will be sold to the public and all net proceeds are not going to a specified charity or community service fundraiser.
2. The raffle must be legal and conducted in compliance with all federal, state, county, and city laws or ordinances.
3. All required licenses must be obtained.
4. Only two raffle fundraisers involving the public may be conducted in a single calendar year if *any* of the proceeds go to the fraternal unit (other than reimbursement of actual expenses).
5. If *any* of the proceeds go to the fraternal unit, only volunteers may sell tickets or be involved in the raffle. No paid or compensated member or employee may participate. This includes the Administrator, Social Quarters Manager, employee and even volunteers who receive tips, etc.
6. If the raffle is a community service activity, *all* net proceeds must be distributed to the charity, organization or needy individual(s) for which the raffle is conducted.
7. The fraternal unit is responsible to determine if a federal wagering license is necessary and if the raffle will result in the payment of federal wagering taxes.
8. The U. S. Postal Service should not be used to distribute raffle tickets.
9. It is the fraternal unit's sole responsibility to know and comply with all tax withholding and reporting requirements. *The fraternal unit can be held liable for all unpaid income taxes on raffle winnings, plus penalties and interest.*
10. The raffle of firearms to members or non-members is not recommended because of the number and complexity of various local, state, provincial and federal laws pertaining to the licensing and registration of firearms.

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