

## Special Olympics Wisconsin Raffle Requirements

- **Class A Raffle License:** This license type is required to conduct a raffle in which some or all of the tickets for that raffle are sold on days other than the same day as the raffle drawing. A winner need not be present at the drawing.
  - Raffle tickets, stubs or money for the raffle cannot be sent via U.S. Mail.
  - Class A tickets cannot be sold more than 270 days from the date they are printed.
  - It is illegal to offer compensation for selling raffle tickets (such as payment or prizes for the most tickets sold.)
  - Raffle ticket purchases are NOT tax deductible.
  - You must post a copy of the license at the drawing location.
  - Raffle tickets cannot be used as an admission ticket to an event.
  - All raffle drawings shall be held in public. The drawing cannot be held at an event that requires admission payment to enter (ex. a basketball game, a \$5 spaghetti dinner). You must hold the drawing outside of the event instead so that any ticket holders can be present.
  - Any monetary donations during the raffle must be kept separate. Your revenue should only include money from the sale of raffle tickets.
  - A complete name and address must be supplied for each winner of prizes worth \$100 or more.
  - All ticket stubs must be kept for 12 months after the raffle date.
  - If a raffle drawing is canceled, the organization shall refund the receipts to the ticket purchasers.
  - **You must secure the social security number of any persons receiving any prized valued over \$600 PRIOR to giving them the prize.** This is needed by the finance department to fill out IRS Form 1099.
  - The program office must make the tickets for these raffles to ensure they meet regulations
- **Class B Raffle License:** The license type required to conduct a raffle in which all of the tickets for that raffle are sold on the same day as the raffle drawing. A winner must be present at the drawing.
  - Raffle tickets, stubs or money for the raffle cannot be sent via U.S. Mail.
  - Raffle tickets cannot be used as an admission ticket to an event.
  - It is illegal to offer compensation for selling raffle tickets (such as payment or prizes for the most tickets sold.)
  - Raffle ticket purchases are NOT tax deductible.
  - All raffle tickets shall be identical in form.
  - The tickets need not be numbered consecutively.
  - No raffle ticket may exceed \$10 in cost.
  - Any monetary donations during the raffle must be kept separate. Your revenue should only include money from the sale of raffle tickets.
  - The time of the drawing, the prizes to be awarded, and the prize amount shall be posted or announced before the drawing.
  - All raffle drawings shall be held in public. The drawing cannot be held at an event that requires admission payment to enter (ex. a basketball game, a \$5 spaghetti dinner). You must hold the drawing outside of the event instead so that any ticket holders can be present.
  - The purchaser of a ticket may claim the prize if they must leave before the drawing.
  - All prizes shall be awarded. If someone does not claim a prize, you must redraw a ticket to award the prize.
  - A complete name and address must be supplied for each winner of prizes worth \$100 or more.
  - If a raffle drawing is canceled, the organization shall refund the receipts to the ticket purchasers.
- **Bucket Raffles**
  - Two ways to hold these raffles. *Option 1:* Each bucket/prize has its own color ticket. The purchaser decides which tickets they want to buy and then drops them in the corresponding buckets. Each bucket and its prize is treated as a separate raffle. A reporting form must be filled out for each bucket because they are treated as individual raffles. *Option 2:* Use one bucket (or other ticket receptacle) to hold the tickets. Display all the prizes individually, but all tickets must go into one container. When you draw the tickets, the first winning ticket holder gets their choice from all the available prizes. The second winning ticket holder then gets their choice from remaining prizes, etc. The last person drawn will have to take the last prize left. Use one raffle reporting form for this type of drawing.
- **Alternate options:**
  - You can silent auction or live auction prizes. This does not require a raffle license and you will not fill out a raffle reporting form **(If you choose to do a combination of silent auction and bucket raffle, the money for each must be kept totally separate when selling and reported separately!).**

Every time any Special Olympics Wisconsin raffle takes place, the raffle organizer must contact Christina Harris at the Program Office at least one month in advance to obtain the required documents. Those documents along with any in-kind receipts, expense receipts, and examples of the tickets used should be completed and returned to the office within 30 days.

# Raffle information from the 2010 Agency Manager Handbook

## Raffle Licenses

Raffles are a great way for agencies to fundraise, especially if prizes can be donated. A raffle is a game of **chance** in which tickets are **sold** and a drawing for **prizes** is held. If you are holding a drawing that includes all three of these components, it is considered a raffle.

For every raffle conducted by a Special Olympics Agency, before printing tickets you must approve the raffle with Christina Harris, Marketing and Development Assistant, at the Program office at 800-552-1324 Ext. 202.

The Program office will provide the Agency with a custom-made ticket for the event, the official license number, and guidelines to conduct the raffle to comply with the Wisconsin Department of Administration – Division of Gaming raffle rules.

There are two classes of raffle licenses. The determination as to which license is appropriate is based on “pre-event” raffle ticket sales or “day of event” ticket sales. A post event accounting of the dollars raised and products/services raffled is required by the state of Wisconsin and **must be completed within one month** of the raffle. Failure to do so could result in suspension of SOWI’s raffle licenses by the Division of Gaming.

All sections of the raffle reporting form must be filled out completely before returning it to the Program Office. We use these forms to turn in our paperwork to the IRS and obtain the new licenses each year. Some key points in holding your raffle and completing the paperwork are:

- Contact Christina Harris at the Program Office to obtain the license **BEFORE** planning your raffle and printing tickets.
- When requesting a raffle license, provide your name and contact info, the date of your raffle, what the raffle is for, and if you are selling tickets in advance.
- Raffle tickets cannot be used as an admission ticket to an event.
- All raffle drawings shall be held in public. The drawing cannot be held at an event that requires admission payment to enter (ex. a basketball game, a \$5 spaghetti dinner). You must hold the drawing outside of the event instead so that any ticket holders can be present.
- **Raffle tickets, stubs or money for the raffle cannot be sent via U.S. Mail.**
- For prizes valued over \$600, the winner’s **social security number must be obtained PRIOR** to issuing the prize. This information must also be reported on the form.
- A complete name and address must be supplied for each winner of prizes worth \$100 or more.
- You will also need to submit any in-kind forms and invoices for your raffle with the reporting form.
- New for 2009: If you wish to have a separate “bucket” for raffle tickets for each prize to be drawn, you **MUST** have a separate color ticket for each prize. **Alternative #1:** sell one color ticket to all raffle buyers and either a) announce the prize that is being offered immediately before you draw for that prize; OR allow drawn winners to select their prize from all prizes before moving on to the next drawing. **Alternative #2:** if your event will draw a sizeable large audience, consider offering your most valuable prizes through a silent or live auction instead. *Early returns from SOWI raffle holders since the institution of this change are that auctions provide more excitement to your event and are simpler to handle from an accounting standpoint.*
- No other revenue expenses (donations, sponsorships, event fees, auction bid proceeds) from your event that are not directly raffle-related should be listed on your raffle report.

Breaking any of the regulations provided by the Division of Gaming can result in the loss of our license for all SOWI Agencies. SOWI’s raffle license was audited for 2008, and any violations of the rules will cause us to lose our license in the future.

If you have questions about your raffle or need to obtain the license, email Christina Harris at [charris@specialolympicswisconsin.org](mailto:charris@specialolympicswisconsin.org).

Breaking any of the regulations provided by the Division of Gaming can result in the loss of our license for all SOWI Agencies. Several Wisconsin groups have had their raffle procedures audited and/or had their licenses revoked in 2008, including Big Brothers Big Sisters of Dane County and the Sportsman’s Club in Green Bay.