



# GAMBLING-RELATED NONPROFIT FUNDRAISING

The common forms of gambling-related nonprofit fundraising activities are as follows:

## NONPROFIT RAFFLES

- Nonprofits registered with the department may sell raffle tickets online (credit cards are prohibited). Registration requires submission of [Form 46](#) to the department.
- Nonprofits may sell raffle tickets outside the state of Montana if the purchase is not prohibited in the jurisdiction in which the purchaser resides.
- A raffle may be held by a nonprofit where entry into the raffle is based on the payment of membership dues or purchase of items offered during a fundraising event such as a calendar or sponsor table.
- Raffle sponsors do not have to own the prizes being awarded in the raffle before the sale of any tickets. This includes 50-50 raffles.
- No limit on the value of the prizes.
- The proceeds from the sale of tickets for a raffle may be used only for charitable purposes or to pay for prizes.
- Income from raffles may not be used to pay for the administrative costs of conducting the raffle.
- The raffle must be publicly identified as a charitable raffle.
- Recordkeeping requirements apply.
- Other raffle restrictions can be found in statute/rule as well as on the “Raffle Guidelines” document found on our website.

See our [Raffle Guidelines](#) for more information.

## CASINO NIGHTS

- Nonprofit organizations may conduct or participate in one casino night per year (or split it into two 6-hour sessions on two different dates within the same calendar year). The following activities may be conducted during a casino night:
  - Authorized live card games (i.e. poker);
  - Live bingo and keno;
  - Raffles
- **Illegal gambling activities such as craps, roulette, and blackjack are not allowed.**
- A permit application is required no less than 10 business days prior to the event.
- Acceptable forms of payment for entry include cash, check, or debit card. Credit cards are prohibited.
- Proceeds derived from the casino night, after payment of reasonable administrative expenses, may be used only for a civic, charitable, or educational purpose, and administrative expenses may not exceed 50% of the proceeds.
- Casino nights must be managed and operated by the nonprofit issued the permit. The members may not be compensated for their services.
- Other restrictions can be found in statute/rule.

See our [Casino Night Guide](#) for more information.

Reference [23-5-701](#) through [23-5-715](#), [23-5-157](#), [23-5-158](#); [23.16.3101](#) through [23.16.3104](#) ARM

## CALCUTTA AUCTION

- “Calcutta pool” means a form of auction pool wherein participants in the pool bid on the competitors in an underlying event with each successful bidder wagering the amount he has bid on the competitor he has "purchased;" at the conclusion of the underlying event the pool of wagers placed on all competitors is divided amongst the pool participants who have "purchased" the winners of the underlying event according to the rules of the particular Calcutta pool.
- Acceptable forms of payment for wagers include cash, check, or debit card. Credit cards are prohibited.
- The proceeds from the pool, minus administrative costs and prizes paid, are contributed to a charitable or nonprofit corporation, association, or cause;
- At least 50% of the total pool is paid out in prizes
- A permit application is required.
- Other restrictions can be found in statute/rule.

See our [Calcutta Guide](#) for more information.

Reference [23-5-157](#), [23-5-158](#); [23-5-221](#) through [23-5-223](#) MCA, [23.16.2801](#) through [23.16.2806](#), ARM

## BINGO

- A nonprofit organization must have a gambling operator license in order to offer Bingo (except through a Casino Night).
- Organizations granted an exemption under 26. U.S.C 501(c)(3), (c)(4), (c)(8), or (c)(19) are exempt from live game tax, and may be exempt from permit fees (depending on when exemption was granted).
- Other restrictions can be found in statute/rule.

See our [Bingo Guide](#) for more information.

Reference [23-5-157](#); [23-5-158](#) [Title 23 Chapter 5, Part 4 MCA 23.16.2401](#) through [23.16.2411](#) ARM

## POKER RUN

- “Poker run” means a gambling activity involving a live poker card game conducted in the following manner:
  - Each person pays valuable consideration to participate.
  - A participant travels to designated locations and obtains a playing card at each location. Cards accumulated by the participant constitute a poker hand.
  - After each participant has accumulated the required number of cards, the participants' poker hands are ranked as described in the poker run rules to determine the winner.
- Only poker runs conducted by a nonprofit organization may retain a portion of the total amount paid to participate.
- Other restrictions can be found in statute/rule.

Reference [23-5-157](#), [23-5-158](#), [23-5-318](#), MCA [23.16.1001](#)

## HEADS OR TAILS

- “Heads or Tails” is a nonprofit fundraising activity in which players attempt to predict the outcome of a coin toss. The game is conducted in the following manner:
  - Participants pay an entry fee (established by the sponsor).
  - All participants start by standing up.
  - They attempt to predict the outcome of the coin toss and indicate their choice with their hand(s) physically placed on their head or their “tail.”
  - The result of the coin toss determines winners (who remain standing) and losers (who must sit). This process is repeated until a single winner remains standing.
  - The winner splits the proceeds collected from entry fees with the nonprofit organization sponsoring the activity.
- Only a nonprofit may sponsor and conduct a game.
- Sponsors must identify themselves in promotions or announcements.
- All entry fees to play must be paid in cash.
- At least 50% of the total amount of the entry fees must be retained by the sponsor.
- No part of the entry fees may be applied to administrative fees.
- Heads or Tails may be played at any public premises.
- If the fundraiser is held on the premises of a licensed gambling operator, the activity must be managed by the sponsoring nonprofit organization and all marketing or promotions must clearly identify the sponsor.
- The participants and person conducting the coin toss must be physically present where the game takes place.

See our [Heads or Tails Guide](#) for more information.

Reference [MCA 23-5-405](#)



*Questions? Contact the Gambling Control Division at (406) 896-4300, email [gcd@mt.gov](mailto:gcd@mt.gov), or visit <https://dojmt.gov/gaming>.*

Reference [Montana Code Annotated](#) [Administrative Rules of Montana](#)