

RAFFLE GUIDELINES



ALL RAFFLE TERMS, including the date of the raffle drawing, must be available to the public prior to the sale of any raffle tickets. Typical raffle terms may include:

- ✓ date of the raffle drawing (mandatory term);
- ✓ the name and contact information of the raffle sponsor;
- ✓ persons eligible or ineligible to purchase tickets;
- ✓ locations where sales are known to be prohibited;
- ✓ cost of raffle tickets;
- ✓ a complete description of the prize(s) and its value;
- ✓ an estimated number of tickets to be sold which may be unlimited;
- ✓ the date ticket sales close; and
- ✓ the method of drawing winning ticket(s).

Raffles by nonprofits, colleges, universities, public school districts, or nonpublic schools must be publicly identified as a charitable raffle.

ACCEPTABLE PAYMENTS

Acceptable forms of payment for a raffle ticket include cash, check, e-check, or debit card. Credit cards are prohibited.

AGE RESTRICTIONS

A person under the age of 18 years of age **may not participate in a raffle** unless proceeds from the raffle are used to support charitable activities, scholarships or educational grants, or community service projects.

HOW TO KEEP THE RAFFLE DRAWING RANDOM AND FAIR

A drum or other receptacle containing raffle ticket stubs is approved to be used for the selection process as long as the stubs have been thoroughly mixed before the drawing.

Other containers or selection processes may be used if:

- the process is reasonably assured of being random and is not connected to an event that has its own significance (e.g. sports event, game of chance, contest); and
- the indicator of the raffle ticket purchaser's identity reasonably assures the random selection of a winner.

RECORDKEEPING

For each raffle conducted, any entity conducting the raffle shall maintain for a period of 12 months from the date of the raffle drawing, the following information:

- a record of the total proceeds collected;
- a detailed description of the prize(s) awarded;
- a description of the selection process used to determine the winner(s);
- a record reflecting the source of the prize(s), including any money paid to purchase prizes;
- a record of any administrative costs paid with raffle proceeds;
- a description of how the raffle was publicly identified as a charitable raffle, where applicable;
- the name and address of the person(s) awarded raffle prize(s); and
- a detailed record of the distribution of the charitable raffle proceeds, where applicable.

NONPROFITS OPERATING A RAFFLE

- A license or permit is not required to conduct a raffle in Montana. However, nonprofit organizations must register with the department if they wish to sell raffle tickets online.
- 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 (50-50 raffles are permissible under this regulation because the prize is not owned in advance of ticket sales).
- 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.
- Recordkeeping requirements (listed on page one) apply.

INDIVIDUALS OR FOR PROFIT BUSINESSES OPERATING A RAFFLE

- The sale of raffle tickets is restricted to events and participants within the geographic confines of the state at the time of purchase.
- The sale of raffle tickets may not be conducted over the internet. All raffle announcements or advertisements conducted over the internet must include this sale restriction, the name of the organization offering the raffle, and all raffle terms.
- All prizes must be owned by the raffle sponsor before the sale of any tickets (50/50 raffles are not permitted).
- The value of all prizes awarded in this type of raffle may not exceed \$5,000.
- Recordkeeping requirements (listed on page one) apply.

COLLEGES, UNIVERSITIES, OR PUBLIC SCHOOL DISTRICTS OPERATING A RAFFLE

- The sale of raffle tickets is restricted to events and participants within the geographic confines of the state at the time of purchase.
- Raffle sponsors do not have to own the prizes being awarded in the raffle before the sale of any tickets (50-50 raffles are permissible under this regulation because the prize is not owned in advance of ticket sales).
- 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.
- Recordkeeping requirements (listed on page one) apply.

Questions? Contact the Gambling Control Division at (406) 444-1971, visit <https://dojmt.gov/gaming/> or email gcd@mt.gov.

Reference [23-5-112](#), [23-5-158](#), [23-5-413](#), MCA; [23.16.202](#), [23.16.2602](#), ARM