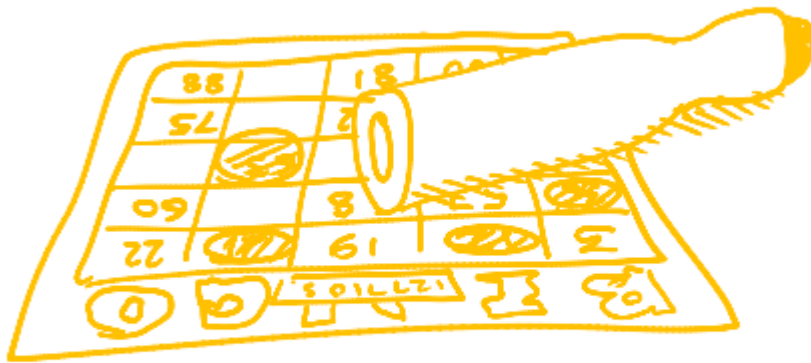


ISLE OF MAN GAMBLING SUPERVISION COMMISSION



FAQS FUNDRAISING & LOTTERIES FOR SOCIETIES, CHARITIES AND CLUBS

Version 1.1:15/12/2020

About this Document

This document has been prepared by the Isle of Man Gambling Supervision Commission (GSC) in order to provide answers to some frequently asked questions (FAQs) regarding fundraising and society lotteries. The list of FAQs is not exhaustive and seeks to give a brief overview of the legislation and its requirements. Anyone with a further query should contact the GSC for a more comprehensive answer or seek independent legal advice.

Contact us

The GSC is available 9am-5pm Monday to Thursday and 9am-4.30pm Friday and can be contacted by phone on 01624 694331, by email at gambling@gov.im or at the following address—

Ground Floor
St George's Court
Myrtle Street
Douglas
IM1 1ED

FAQs

Is it true that only registered charities can register with the GSC as a society lottery to fundraise through lottery activity?

No. Although many registered charities do register with the GSC as society lotteries, other societies that have been established to promote good causes can also register. Under Section 32 of the Gambling Betting Lotteries Act 1988 (GBL), in addition to charities, cultural and sporting societies are permitted to register as society lotteries. For example, scout groups, football teams and school association groups are permitted to register with the GSC. If a society can demonstrate that its fundraising is not for private gain, it is likely that the GSC will approve the registration for a society lottery application.

The charity I work for wants to organise a raffle, what do I need to do?

If the raffle is incidental to an event (for example a coffee morning or a gala dinner event), the raffle activity could be exempted under Section 31 of GBL which allows for small lotteries at entertainments. If an exemption applies, registration as a society lottery with the GSC will not be required. Proceeds from such an event must not be used for private gain, expenses such as the cost of the entertainment and ticket printing costs can be deducted and the result must be given during the entertainment. However if raffle tickets will be sold or promoted to the general public in advance of the event, it is likely that a society lottery registration will be required under Section 32 of GBL.

My local football team wants to organise a racing night, what do I need to do?

The first step is to register with the GSC as a society lottery (a registration runs until the end of the calendar year, at which point a renewal is required). Once registered with the GSC as a society lottery, the football club can look to organise its racing night. Key points to note will be to adhere to the rules relating to society lotteries and racing nights, and remember that an

event return form will need to be submitted to the GSC post-event. More guidance on racing events can be found [here](#).

I want to raise funds for a charity, do I need a licence?

You do not need a "licence" to raise funds for charity. If you are looking to organise and promote fundraising through lottery activity (for example a raffle or tombola), you will need a society lottery registration. If you are simply collecting donations, this is not something the GSC require a registration for. However, please note that in order to collect donations from the public you may require a licence from the Isle of Man Constabulary and permission from the local authority.

Can I or my business hold a raffle for commercial gain?

No. Lottery activity for private gain on the Isle of Man is only possible by obtaining a gambling licence.

If my charity organises a raffle, can we also sell tickets online?

Yes. For registered society lotteries that organise raffles, the GSC allows ticket sales online.

Do I need to register with the GSC if holding a charity Bingo night at the Palace Casino?

No. The Palace Casino holds a casino licence on the Isle of Man, and lottery activity held on the premises will be covered under its licence. Therefore charities and good causes that hold bingo nights at the Palace Casino do not have to register with the GSC in relation to such activity.

I am the promoter of a society lottery tombola, can all of the ticket sales be used for prizes?

No. Under Section 32 1988, at least 50% of the whole ticket sales must be provided to the charity or cause for which the tombola is promoted.

My charity is organising a draw to win-a-car, what things do I need to consider?

Firstly the charity will need to register with the GSC as a society lottery and adhere to the relevant society lottery rules. Due to the nature of win-a-car draws, attention must be paid to ticket sale and prize value maximums. GSC approval will be required for any proposal for a variation of the maximum ticket sale or maximum prize value thresholds.

Consideration needs to be given to the 50% rule, where a maximum of 50% of ticket sales must be allocated for prizes. As an example if a car cost £15,000, a minimum of £30,000 would have to be raised through ticket sales. Prudence should be demonstrated when agreeing the terms and conditions of the draw, clearly outlining participant rules and what will happen in the event of the draw promoter not being able to sell enough tickets. An option may be that a smaller cash prize could be offered in such circumstances.

In addition, a prize value of £15,000 and minimum ticket sales requirement of £30,000 will need GSC Officer and Board approvals respectively as it exceeds the value thresholds outlined in legislation. (See table below for ticket price and prize value thresholds.)

I or my business wants to launch an online lottery. Do I need a gambling licence?

An online lottery product for private gain would need an Online Gambling licence. Guidance for such applications can be found [here](#). This type of proposal would not be considered for society lottery registration under GBL.

I am arranging a raffle for my local football club to help raise funds. I plan to sell tickets a month in advance, do I need to register as a society lottery?

Yes. Although ticket sales to members of a society could potentially fall under the private lottery exemption type, if tickets are to be sold to the general public, then the GSC will require the football club to register as a society lottery.

I am registered as a society lottery and planning a new event. I am hoping to hold a monthly tombola with a cash prize for the winner. Is there a limit on the cash prize I can offer? Can I sell tickets for £10 each?

If a charity or society is already registered with the GSC for the calendar year, a new registration for a new event is not needed. Regarding cash prizes, under Section 32 of GBL, cash prizes are permitted. However there are limits in place as follows:

	Permitted under GBL	GSC Officer Approval required	GSC Commission Approval required*
Maximum Ticket Price	£1.00	> £1.00	> £20.00
Maximum Value of Ticket Sales	£7,500	> £7,500	> £25,000
Maximum Prize Value	£2,000	> £2,000	> £20,000

** Proposals may be considered on a case-by-case basis. Proposals involving amounts which are greater than GSC Officer delegated authority approval levels will require Commission approval. This could impact on the timescales of holding a new event, a society lottery planning an event that requires approval should notify the GSC in good time.*

I am planning on starting a new online business where I 'raffle off' prizes such as holidays and cars. The price to enter each draw will be £1.00, and I plan to donate 5% of takings to charity. Is this activity permitted as a society lottery?

No. Any activity with an element of private gain is not permitted under the society lottery rules.

We are an Isle of Man registered charity and we plan to hold a lottery at an outdoor event. Entry will only be on the day, with the prize winner contacted same day. Do I need to register as a society lottery?

No. This activity would likely to be exempted under Section under Section 31 of GBL and be classed as a "small lottery at entertainments" and therefore be incidental to an event. In this event a society lottery registration is not required with the GSC. Please note that there are rules regarding small lotteries at entertainments that are outlined above.

I am still not sure whether my proposed activity is permitted or not.

If you have read the guidance and are still unsure about an activity you propose then please get in touch providing as much detail as possible.