



Washington State Gambling Commission

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Raffles

What is a raffle? (9.46.0277)

A raffle is an event where tickets are sold and prizes are awarded based on a random drawing. Some raffles require a license, others do not; it depends on how the raffle is operated.

Who can conduct raffles? (RCW 9.46.0209)

- Only certain charitable or nonprofit organizations can offer raffles.
- Individuals and commercial businesses cannot offer raffles, even if the money is given to charity. As an alternative, ask your charity if they would conduct a raffle and give them a hand operating it.

Washington State law requires that your charitable or nonprofit organization's by-laws or articles of incorporation state the organization is organized and operating **only** for one or more of the following purposes:

- Agricultural
- Civic
- Patriotic
- Athletic
- Educational
- Political
- Charitable
- Fraternal
- Social

Or be one of the following:

- Agricultural Fair
- Church
- Fraternal Society
- Grange
- Religious Society

If your organization's by-laws or articles of incorporation include any stated purpose(s) other than those listed above, you are not eligible to offer a raffle.

If you meet the "stated purpose" requirement above, your organization *must also* meet the following three requirements:

- Have been organized and operating for at least 12 months *before* offering the raffle; and
- Be able to prove your organization has made significant progress towards accomplishing its stated purposes during the 12 consecutive months before offering the raffle; and
- Have at least 15 voting members who elect the governing body.

If your organization does not meet these qualifications, you are not eligible to offer a raffle.

If your organization's purpose is to lobby, you may not be eligible to offer a raffle, even if you hold a 501c rating with the IRS.



A school's PTA or ASB will usually qualify to conduct a raffle. Each group within a PTA or ASB (choir, band, debate) is part of the organization and does not have to individually meet the qualifying requirements. However, money raised and number of raffles conducted by each group counts towards the limits for the entire PTA or ASB.

Your organization must sell tickets, determine winners, and award prizes **only** in Washington.

Selling tickets (WAC 230-11-014 thru 230-11-035):

- Maximum price per ticket is \$100.
- No free tickets or tickets as gifts.
- Tickets must be sold for the same price. However, if you have a raffle license, tickets can be bundled and sold at a discount.
- Tickets must only be sold by members of your organization, unless you get a raffle license.
- Tickets must be paid for in full by cash, check, or credit card. No IOU's.
- Tickets cannot be sold over the Internet or telephone; however, you can advertise on the Internet or over the telephone (RCW 9.46.240).
- Tickets and/or payment for tickets cannot be mailed (PS-307); however, advertisements can be mailed (USPS 601.13.3.3(d)).
- Tickets must be consecutively numbered or printed with letters or symbols that don't repeat.
- The following information must be clearly printed on each ticket or available in writing:
 - Cost per chance (\$100 maximum per ticket).
 - Date, time, and location of the drawing.
 - Name of the sponsoring organization.
 - Whether or not winners must be present for the drawing.
 - Description of all prizes to be awarded. If the prize is a percentage of the gross receipts of the raffle, a minimum prize must be disclosed.
- Individuals under 18 years of age may sell tickets, **only** if (WAC 230-06-010):
 - Your organization's primary purpose is to develop youth; and
 - At least three members of your organization, age 18 or older, supervise the raffle; and
 - A member, 18 years or older, manages the raffle.

Purchasing tickets:

- You must be 18 years or older to purchase a ticket.
- Organization members may purchase tickets; however, membership must not be based on purchasing a ticket (WAC 230-11-006).

Prizes (WAC 230-11-065):

- Prizes must be owned by your organization before they are awarded.
- If firearms will be awarded as a prize, you need a raffle license (WAC 230-06-025).
- Only *members-only* raffles can award liquor as a prize.
- If the retail value of a prize is \$40,000 or more, you must get approval from us (WAC 230-11-067).

Determining winners:

- Display your license, or a copy of your license, at the location where winners will be determined and prizes will be awarded (WAC 230-11-005).
- **Unlicensed Raffles:** Ticket stubs from all sales must be placed into a receptacle and selected randomly to allow an equal chance of winning (WAC 230-11-040).
- **Licensed Raffles:** If you have a license, winners can be selected using an alternative drawing format, such as a duck race or poker run (WAC 230-11-050, 230-11-055).

You must have a raffle license if:

- Tickets are sold by someone other than a member of your organization. Volunteers (unpaid) may sell tickets for raffle licensees, but only under the supervision of a member.
- Tickets are bundled and sold at a discount (230-11-025).
- Winners are chosen using an alternative drawing format.
- Firearms are awarded as a prize (WAC 230-06-025).
- You want to offer more than two public raffles, bingo or amusement game events in a calendar year.
- The combined gross revenue from your organization's two unlicensed public raffles, bingo or amusement game events will exceed \$5,000 in a calendar year.
- The gross revenue from unlicensed members-only raffles will exceed \$5,000 in a calendar year.
- You want to conduct a public raffle and your organization has a bingo or amusement game license.

If you have a licensed raffle, you need to:

- Notify local police, in writing, before selling tickets (WAC 230-06-055).
- Check with your local taxing authority for any taxes due. The first \$10,000 of net proceeds is exempt from taxation (RCW 9.46.110).

Members-only raffles: (RCW 9.46.0315)

(WAC 230-11-070 thru WAC 230-11-090)

- Tickets must be sold, and prizes awarded, only to members of your organization or their guests. Guests cannot exceed 25% of members present at the meeting.
- Liquor may be awarded as a prize if you have a permit from the Liquor Control Board (LCB). Contact the LCB at (360) 664-1600 or www.Liq.wa.gov.
- You may hold an unlimited number of unlicensed members-only raffles if the combined gross revenue (money taken in) does not exceed \$5,000 in a calendar year. If you exceed \$5,000, you need to get a license.

Unlicensed public raffles: (RCW 9.46.0321)

In addition to members-only raffles, you may offer two unlicensed raffle, bingo, or amusement game events to the public each year.

- The combined gross revenue from the two unlicensed bingo, raffles and amusement game events offered to the public must not exceed \$5,000 in a calendar year.

- You may sell tickets to the public, not just to members of your organization.
- Liquor and firearms must not be awarded as prizes.
- Notify local police at least five days in advance.

Use of raffle proceeds:

Proceeds must be used towards your organization's stated purpose. However, proceeds may go to the charitable benefit of a specific person, but only if you get approval from us before offering the raffle.

Management, recordkeeping, and reporting:

- Members must not be paid for selling tickets, managing, or operating the raffle.
- Recordkeeping/Reporting requirements and forms are available on our website or by contacting our field office closest to you.
- Records must be kept for:
 - 3 years for licensed raffles; or
 - 1 year for unlicensed raffles.

The following entities may also offer raffles:

Credit Unions if all revenue less prizes and expenses are donated to charity (RCW 9.46.0209(2)(a)).

Cities, Counties & Towns if all revenue less prizes and expenses are used for community activities or tourism promotion activities (RCW 9.46.0209(3)).

Executive Branch State Employees as long as an authorization letter from the chief executive official is available for review by us or local law enforcement. The following additional requirements apply (RCW 9.46.0209(2)(b)):

- Purpose of raffle must be disclosed to all participants.
- Tickets must be sold at the same price.
- Raffles may be conducted during a single meeting, event, business day, or for a longer period of time.
- Alternative drawing formats cannot be used.
- Prizes must be owned by the entity offering the raffle, before the date of the drawing.
- Gross receipts must be verifiable through deposit records or physical cash counts.
- Records must be kept at least one year at the location where the raffle primarily took place.

For more information about raffles:

Visit our website at www.wsgc.wa.gov and select:

Raffle: [FAQs](#), [Presentation](#), [Training](#), [Records](#)

Raffle Rules: [WAC 230-11](#)

License Fees: [WAC 230-05-020\(6\)](#)

[Application for a license](#)

For licensing questions: Contact us at (360) 486-3440 or AskUs@wsgc.wa.gov.

For regulatory and operational questions, contact our Regional Field Office closest to you.

Everett (425) 304-6300..... EverettFO@wsgc.wa.gov

Spokane ... (509) 325-7900.. SpokaneFO@wsgc.wa.gov

Tacoma (253) 671-6280.... TacomaFO@wsgc.wa.gov

For federal tax deduction and reporting requirements, contact the Internal Revenue Service at www.irs.gov.

If you or someone you know have a gambling problem, call (800) 547-6133

To inquire about the availability of this document in an alternate format, please call (360) 486-3466 or (800) 345-2529, ext. 3466.
Teletype (TTY) users please call (360) 486-3637