

Our Club

Licensee responsibilities



Fundraising activities involving gaming

10

Fundraising activities involving gaming

Overview

Introduction

This section contains information to assist you in understanding when your club or charity requires a permit to conduct fundraising activities involving gaming. It includes:

- how to declare your club or charity as a community or charitable organisation
- information regarding the conduct of raffles, bingo, lucky envelopes, fund raising events and other community gaming activities.

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General obligations

Introduction

As a committee member of a club, you have certain obligations associated with your club's liquor licence.

See: 'General obligations' (section 3 page 7).

Community and charitable gaming

Introduction

A number of gaming activities can be conducted by declared community and charitable organisations. In some cases, the organisation must obtain a minor gaming permit from the VCGLR in order to legally conduct the activity.

The activities requiring a minor gaming permit are:

- raffles (where the total prize value exceeds \$5,000)
- lucky envelopes
- fundraising events (casino nights)

A club or charity intending to conduct one of these activities must be registered (declared) by the VCGLR as a community or charitable organisation.

Note: Your club or charity is liable if another club or charity is conducting one of the above activities illegally on your premises.

What does declared mean?

A club or charity is said to be 'declared' when the VCGLR has assessed and approved it to be a community or charitable organisation. If your club is approved, the VCGLR will advise you in writing and include a declaration number. The declaration expires after 10 years.

A list of all declared organisations is available on the VCGLR website at vcglr.vic.gov.au.

What kind of organisations can be declared?

To be declared, a club must be conducted in good faith and be established as a not-for-profit organisation. It must also be a community or charitable organisation, a sporting or recreational club or an organisation conducting the activity for the purposes of a political party.

A club may be declared as a community or charitable organisation if it is conducted for a sporting or recreational purpose. The club must be established as a sporting or recreational club or association for the benefit of such a club or association.

Further information

Further information about declaring your club as a community or charitable organisation is available on the VCGLR website at vcglr.vic.gov.au.

Raffles

Introduction

Most clubs rely on fundraising activities, such as raffles, to maintain financial viability.

This section covers the rules for conducting raffle activities.

What is a raffle?

A raffle is a fundraising lottery with goods or services as prizes. The *Gaming Regulation Act 2003* (the Act) prescribes that prizes in a raffle must not include cash, debit cards, stocks or shares. If the prize is a travel and/ or accommodation package, then only up to 10% of the total travel prize can be cash (spending money). Shop specific gift cards may be offered, provided they're limited enough in scope (e.g. limited to a specific store or set of stores). Under the Act and Regulations, there are three types of raffles:

Under the Act and Regulations, there are three types of raffles:

- raffles of \$500 or less ('small raffles')
- raffles of \$5,000 or less
- raffles over \$5,000.

Different requirements apply depending on the value of the raffle. The table on page 4 provides a useful summary of some of the requirements for each type of raffle.

Reverse raffles are illegal. First ticket drawn must win first prize etc

Minor gaming permit

Once declared, your club or charity may need to apply for a minor gaming permit to be able to conduct a raffle. A permit is required where the retail value of the prizes in the raffle is more than \$5,000.

You can apply for a minor gaming permit on the VCGLR website at vcglr.vic.gov.au.

Conducting a raffle on behalf of a community or charitable organisation

Where a permit is not required, a person can conduct a raffle on behalf of a community or charitable organisation provided they have the written authority of the governing body of the community or charitable organisation that will benefit from the raffle.

A permit is not required to conduct a raffle where the retail value of the prize(s) is \$5,000 or less. The raffle must still be conducted in accordance with the relevant conditions.

A permit is not required to conduct a raffle where the retail value of the prize(s) is \$500 or less. The raffle must still be conducted in accordance with the relevant conditions.

'Retail value' of prizes is determined by valuing the goods or services being offered as prizes at the recognised retail price. The recognised retail value of any goods or services is normally what they can be bought for in a retail situation, regardless of whether the prize has been purchased at a discount or even donated.

Who is responsible for the raffle?

When applying for a minor gaming permit, your club needs to nominate a person over 18 years of age, who must be approved by the VCGLR. This person is called the 'nominee'. The nominee is responsible for ensuring that any minor gaming activity which is run under the permit is conducted in accordance with the rules and conditions.

Having a nominee does not exempt your club from any legal action if there is a breach of the minor gaming permit conditions.

The table below lists the three types of raffles under the Act and some of the requirements for each type.

Prize pool	\$500 or less	\$5,000 or less	Over \$5,000
Is a permit required?	No.	No.	Yes.
Is the number of tickets available for sale limited?	Yes, the value of ticket sales must not be less than twice and not more than six times the total value of the prizes.	Yes, the value of ticket sales must not be less than twice and not more than six times the total value of the prizes.	Yes, the value of ticket sales must not exceed the number authorised by the permit.
Are we required to have printed tickets?	No.	Yes.	Yes.
Do we need to collect ticket purchaser's details?	No.	Yes, ticket sellers should obtain enough information to be able to identify the winners.	Yes, ticket sellers should obtain enough information to be able to identify the winners.
How long can we sell tickets for?	One day, or within an eight-hour period.	No longer than three months.	For the period authorised on the permit, which will be for a period not exceeding 12 months.
When does the draw have to occur?	On the same day as the ticket sales, or within an eight-hour period.	On the date printed on the tickets, which must not be more than 14 days after the last date of proposed ticket sales.	On the day authorised by the permit.
What method must we use to draw the raffle?	The method of draw must allow each ticket a random and equal chance of winning.	The method of draw must allow each ticket a random and equal chance of winning.	The method of draw must allow each ticket a random and equal chance of winning.
We cannot locate the winner, what should we do?	If a winner does not come forward within a reasonable amount of time following the announcement of the winning number, a redraw must occur.	Contact the VCGLR.	Contact the VCGLR.
What records must we keep and for how long must we keep them?	Distribution of funds and distribution of prizes. Three years.	Distribution of funds, details of tickets printed and distribution of prizes. Three years.	<ul style="list-style-type: none"> • How tickets were sold • how the sales were publicised • the names of people to whom tickets were issued for sale and, for each person, how many tickets were sold, how many tickets were returned and how much money was remitted • when and how the raffle was drawn and the names and addresses of the winners • description (including retail value) of their respective prizes. Three years.

Check your understanding 1 – raffles

Checkpoint

It's time to check your understanding of what has been covered so far. Please complete the questions below and check your answers against the answers provided at the end of this section of the resource kit.

Questions

1. A minor gaming permit is required if the retail value of the prizes in the raffle is more than \$5,000:

True ☐ False ☐

2. What method must be used to draw the raffle?

3. How long must the club retain records of the raffle?

Bingo

Introduction

Any club or charity that intends to conduct bingo sessions to raise funds must first be declared by the VCGLR to be a genuine community or charitable organisation.

Can our club conduct bingo?

Bingo may be conducted by clubs that have been declared by the VCGLR as community or charitable organisations.

The registered community or charitable organisation must then submit a notification of commencement of bingo sessions to the VCGLR at least seven days before the first bingo session.

In addition, bingo can be conducted by clubs other than declared community or charitable organisations where:

- no fee is charged, directly or indirectly, to participate in the bingo, or the whole of the gross receipts from the bingo session are distributed as prizes during the session
- the session is not advertised or open to the general public, is provided for the entertainment of the players and is not intended to provide a commercial benefit to the person conducting the session or to any other person.

Intention to conduct bingo

To notify the VCGLR of your club's intention to conduct bingo, you must complete and lodge the *Bingo – Notification of intention to conduct bingo sessions* form.

If approved, your club or charity will receive a *Notice of authorised bingo* from the VCGLR, which must be displayed in a prominent place at the venue in which the sessions are to take place.

A *Bingo – Notification of intention to conduct bingo sessions* form is available on the VCGLR website at vcglr.vic.gov.au.

Bingo sessions

A session of bingo can comprise up to 30 games of bingo conducted within an eight-hour timeframe. There is no maximum as to the number of sessions that a community or charitable organisation may conduct.

Record keeping

A running sheet that records bingo activity in accordance with the Act and Regulations and must be completed for each game prior to commencing a new game.

Annual returns

In August each year, the VCGLR sends each community or charitable organisation an Annual Return form to report on bingo conducted between 1 July of the previous year and 30 June of the current year.

The annual return must be completed by the community or charitable organisation, audited (if required) by a suitably qualified person and submitted to the VCGLR by 1 October of the current year.

For further information regarding annual returns contact the VCGLR on 1300 182 457 or contact@vcglr.vic.gov.au.

Bingo continued

Ceasing to conduct bingo

Your club must notify the VCGLR in writing of any intention to stop conducting bingo sessions for any period longer than three months by completing the *Bingo – Notification of intention to cease to conduct bingo sessions* form. The form is available to download and is located at vcglr.vic.gov.au.

The club must submit this form to the VCGLR within seven days of ceasing to conduct bingo sessions.

Further information

The VCGLR website includes information relating to bingo and the current rules for bingo that apply for the conduct of bingo sessions.

To view a copy of the rules, visit the VCGLR website at vcglr.vic.gov.au.

Check your understanding 2 – bingo

Checkpoint

It's time to check your understanding of what has been covered so far. Please complete the questions below and check your answers against the answers provided at the end of this section of the resource kit.

Questions

1. How many days' notice must be provided to the VCGLR before the club's first bingo session?

2. Under what circumstances can a club, which has not been declared a community or charitable organisation, conduct bingo activities?

3. What records must the club keep after conducting a session of bingo?

Lucky envelopes

Introduction

A lucky envelope is a lottery ticket where the result is pre-determined. The ticket must be made so that the result cannot be seen until after it is sold.

Lucky envelopes are sometimes known as 'pull-tabs', 'break opens' or 'bingo tickets' because they may have the word 'B.I.N.G.O.' along the front of the ticket. They are 'break open' type tickets that have letters, numbers or symbols inside and if a ticket has the right combination, it is a winner. These types of tickets may be sold by hand, at a bar or through a ticket dispensing machine.

Additionally, there are electronic lucky envelope machines that, after you insert your money, letters, numbers or symbols, are displayed on the screen and the machine will print out a ticket. If the letters, numbers or symbols match with the sequence on the prize list on the machine, that ticket is a winner.

Lucky envelopes can also be sold through the use of a punchboard (that is, requires a hole to be pushed in the punchboard to get a ticket with a number on it). If the number matches the one shown on the prize list on the punchboard, that ticket is a winner.

Who can sell a lucky envelope?

Lucky envelopes can only be sold by organisations that have been declared by the VCGLR to be community or charitable organisations. Lucky envelopes offering non-cash prizes may be sold at any premises with the permission of the owner or manager. Luck envelopes offering cash prizes may only be sold at the permit holder's own premises (that is, clubrooms), licensed hotels, licensed bingo centres or at fetes, fairs or carnivals. Lucky envelope machines can only be installed at the permit holder's own premises (that is, clubroom), at licensed hotels or at licensed bingo centres.

Please note: Luck envelopes cannot be sold to anyone under the age of 18.

Minor gaming permit

Any organisation wanting to sell lucky envelopes must hold a current minor gaming permit to conduct this activity. Permits are issued for a period of up to two years.

Further information

Information and frequently asked questions are available on the VCGLR website at vcglr.vic.gov.au.

Check your understanding 3 – lucky envelopes

Checkpoint

It's time to check your understanding of what has been covered so far. Please complete the questions below and check your answers against the answers provided at the end of this section of the resource kit.

Questions

1. Who can sell lucky envelopes?

2. A minor gaming permit is required before our club can sell lucky envelopes:
True ☐ False ☐
3. How long are minor gaming permits for lucky envelopes issued for?

Fundraising events

Introduction

A fundraising event is a function conducted by a community or charitable organisation to raise money through the playing of casino-type games.

Without a valid minor gaming permit, it is **unlawful** for these games to be played other than in a licensed casino.

Entry to the function would normally entitle a person to obtain 'play money' or chips to participate in the games. At the end of the function, the 'play money' or chips cannot be converted into cash.

See: 'Minor gaming permit' (page 8) in this section for more information.

How long does a permit last for?

A minor gaming permit to conduct a fundraising event remains in force for the period of the activity only.

Further information

A fundraising event information booklet and frequently asked questions are available on the VCGLR website at vcglr.vic.gov.au.

Check your understanding 4 – fundraising events

Checkpoint

It's time to check your understanding of what has been covered so far. Please complete the questions below and check your answers against the answers provided at the end of this section of the resource kit.

Questions

1. It is unlawful to conduct a casino-type fundraising event without a minor gaming permit:

True ☐ False ☐

2. Can 'play money' or chips be converted into cash?

Yes ☐ No ☐

Other community gaming

Introduction

Other community gaming activities that may be conducted by your club include:

- footy tipping competitions
- Melbourne Cup sweeps
- members' draws.

Footy tipping

Footy tipping competitions where winners are determined solely by skill or knowledge are not regulated by the VCGLR unless they are deemed to be 'interactive gaming' or include betting elements.

A footy tipping competition where winners are determined by an element of chance may only be conducted where:

- all of the money collected is returned as prizes
- the total value of prizes distributed is not more than \$5,000.

This means that the organiser of the footy tipping competition cannot take money out of the prize pool as expenses. All the money collected must be returned as prizes.

There are no set guidelines on how a footy tipping competition must be conducted and it is up to the person organising the competition to develop their own rules. However, the rules should be clear for entrants to understand.

The club committee can decide on any other rules for your club's footy tipping competition provided entrants are made aware of them.

A footy tipping competition may be conducted at any premises or at any workplace provided the two requirements shown above are met. It may also be conducted on sports other than Australian Rules Football, such as Rugby League, Rugby Union or soccer.

Trade promotion lottery

A footy tipping competition that involves an element of chance, may be run as a trade promotion lottery to promote a genuine trade or business.

A permit from the VCGLR will be needed if the value of prizes will be more than \$5,000.

Entrants must not be charged to participate and prizes are provided by the trade or business to be promoted.

A business may promote its goods or services via a footy tipping competition that is not subject to gambling legislation, provided the competition is based only on skill and knowledge and there is no element of chance at any stage in the competition.

Further information

Further information about footy tipping is available on the VCGLR website at vcglr.vic.gov.au.

Other community gaming continued

Melbourne Cup sweeps

A popular activity at many clubs during the Spring Racing Carnival is to run a Melbourne Cup sweep (sweepstake).

A sweepstake may only be conducted where:

- all of the money collected is returned as prizes
- the total value of prizes distributed is not more than \$5,000.

This means that the organiser of the sweepstake cannot take money out of the prize pool as expenses. All the money collected must be returned as prizes.

There are no set guidelines on how a sweepstake must be conducted and it is up to the person organising the sweep to develop their own rules. However, the rules should be clear for entrants to understand.

A sweepstake may be conducted at any venue or workplace provided the two requirements shown above are met. It may also be conducted on races other than the Melbourne Cup, for example the Caulfield Cup, Cox Plate or country cups.

Please note this information does not apply to a Calcutta Sweepstake, which can be conducted by a club under a permit issued by the Minister for Racing. Any club intending to conduct a Calcutta Sweepstake should contact the Office of Gaming and Racing to obtain a permit application form.

Further information

Further information about sweeps is available on the VCGLR website at vcglr.vic.gov.au.

Other community gaming

Members' draws

Members' draws are considered trade promotion lotteries.

Members' draws are usually conducted by clubs and involve the drawing of a member's number from a pool of numbers.

Terms and conditions should be available at the place of entry and to all members. The conditions of entry can only require the member to be present at the draw if the entry and draw are to occur on the same day.

If members enter by buying goods or services throughout the week, then it cannot be a requirement for the member to be present at the time of the members' draw. If the total prize value of the members' draw does not exceed \$5,000 a permit is not required. However, if the prize jackpots and reaches \$5,000 and the members' draw is intended to continue with the bigger jackpot, you must obtain a permit before proceeding.

Terms and conditions for members' draws

The terms and conditions are as for the rules for the conduct of the trade promotion lottery. The terms and conditions must be consistent with the requirements of the Act and Regulations. All terms and conditions should be in plain English and kept as simple as possible, so that all entrants can understand them.

The terms and conditions must include the following information:

- how to enter
- conditions of entry
- start and closing dates
- when and where the lottery will be drawn (date, time and location)
- details and values of all prizes
- how winners will be notified
- details of newspaper/journal in which the winner's name will be announced (if required)
- details of any additional purpose that the personal information collected from participants will be used for.

Terms and conditions are required for each trade promotion lottery.

Further information

See [Gaming activity guidelines](#) on the VCGLR website

Check your understanding 5 – other community gaming

Checkpoint

It's time to check your understanding of what has been covered so far. Please complete the questions below and check your answers against the answers provided at the end of this section of the resource kit.

Questions

1. Under what circumstances can the club conduct a footy tipping competition?

2. A footy tipping competition that involves an element of chance, may be run as a trade promotion lottery to promote a genuine trade or business:

True ☐ False ☐

3. List three pieces of information that must be included within the terms and conditions for members' draws.

Summary

Tips

- Ensure that your club understands its obligations if conducting fundraising activities such as raffles, bingo or hosting fundraising events.
- Check whether your club is required to register as a community or charitable organisation.
- Ensure that your club meets all the record keeping requirements if holding a minor gaming permit.
- Remember that your club or charity organisation is liable if another club or charity is conducting fundraising activities involving gaming at your premises illegally.
- Complete the 'check your understanding' questions and check your answers against the answers provided at the end of this section of the resource kit.

Check your understanding answers

1 – Raffles

1. **A minor gaming permit is required if the retail value of the prizes in the raffle is more than \$5,000:**

True.

2. **What method must be used to draw the raffle?**

The method of draw must allow each ticket a random and equal chance of winning.

3. **How long must the club retain records of the raffle?**

Three years.

2 – Bingo

1. **How many days' notice must be provided to the VCGLR before the club's first bingo session?**

Seven days.

2. **Under what circumstances can a club, who has not been declared a community or charitable organisation, conduct bingo activities?**

A club can conduct bingo activities without being declared if:

- no fee is charged, directly or indirectly, to participate in the bingo or the whole of the gross receipts from the bingo session are distributed as prizes during the session
- the session is not advertised or open to the general public, is provided for the entertainment of the players and is not intended to provide a commercial benefit to the person conducting the session or to any other person.

3. **What records must the club keep after conducting a session of bingo?**

Running sheets recording the bingo activity must be kept after conducting a session of bingo.

3 – Lucky envelopes

1. **Who can sell lucky envelopes?**

Lucky envelopes can only be sold by organisations that have been declared by the VCGLR to be community or charitable organisations.

2. **A minor gaming permit is required before our club can sell lucky envelopes:**

True.

3. **How long are minor gaming permits for lucky envelopes issued for?**

Two years.

Check your understanding answers continued

4 – Fundraising events

1. It is unlawful to conduct a casino-type fundraising event without a minor gaming permit:

True.

2. Can 'play money' or chips be converted into cash?

No.

5 – Other community gaming

1. Under what circumstances can the club conduct a footy tipping competition?

A footy tipping competition may only be conducted where:

- all of the money collected is returned as prizes
- the total value of prizes distributed is not more than \$5,000.

2. A footy tipping competition that involves an element of chance may be run as a trade promotion lottery to promote a genuine trade or business:

True.

3. List three pieces of information that must be included within the terms and conditions for members' draws?

Any three of the following answers:

- how to enter
- conditions of entry
- start and closing dates
- when and where the lottery will be drawn (date, time and location)
- details and values of all prizes
- how winners will be notified
- details of newspaper/journal in which the winner's name will be announced (if required)
- details of any additional purpose that the personal information collected from participants will be used for.