



Jersey Gambling Commission

Advice Note: Private Lotteries

Introduction

Do you always need Registration or a Permit to run a lottery?

The answer depends on how and to whom you plan to sell tickets. Before embarking on any form of lottery or raffle it is recommended that you contact the Jersey Gambling Commission (the Commission) and discuss the structure of the proposed promotion. However, this short paper is written to address some concerns raised about the legality of private lotteries.

Definition

What qualifies a promotion as being a private lottery?

Firstly, it has to be private (which is defined further on in this document) and secondly it cannot be commercial. This means that a club, society or place of work can promote an exclusive draw, but the sale of tickets must be strictly limited to the members of the club or work place employees. No friends, family members, visitors or members of the public should be invited to buy a ticket or have tickets purchased for them by a member of the club etc.

A lottery is a *private* lottery if it meets the following set of conditions:

- Limited to a place of work, a room hired or dedicated to a club or society or a place where people reside (including patients in a hospital ward, residents in a home)
- Not open to the public: visitors, clients or guests constitute the public and cannot take part in the lottery
- The whole proceeds of the lottery (allowing **only** deductions for printing and stationary expenses) must go to the provision of prizes or part of the provision of prizes IF the promotion is designed to raise funds for either the club or a charity
- Other than winning the prize, there can be no private gain generated from running ANY lottery. A sweepstake is permissible, but all monies that make up the entry cost must be returned as prizes e.g. the promoter or organiser cannot take a percentage of the prize pot as a wage
- Private Lotteries (e.g. draws) can be conducted to benefit good causes other than the club or society organizing the gambling. Remember: personal profit is not classed as a good cause
- In the case of a lottery promoted by the membership to benefit their club or society, after deductions made for administration and the provision of prizes, the remainder must go to support purposes of the society.
- A notice or advertisement for a private lottery can **only** be displayed within a place of work, ward or any other premises normally used by the club or society. Advertising to persons other than fellow employees or club members is not allowed. To do so crosses the line into advertising or inviting

the public to participate in a gambling promotion. This necessarily changes the event from a private arrangement to a public promotion and if this happens the event may need to be regulated by the Commission.

In relation to the last bullet point, if the club or society wants to undertake a public lottery they should contact the Commission as the proposal may be either Exempt, require Registration or a Permit. These categories are fully explained on the Commission's website: www.jgc.ie

Offences

If conditions are broken, especially if an event is conducted for personal gain or requires regulation, any person concerned in the promotion, organisation or conduct of the lottery may be guilty of an offence.

Security

This all depends on the scale of the private lottery: a sweepstake is relatively straight forward, however, a 100 Club requires record taking and organisation. Please note that the person responsible for organising the promotion and draw will be accountable for any mistakes or shortfall in the provision of prizes. It is recommended that promoters refer to the Commission's Advice for Conducting a Charitable Lottery. This advice is also published on the website.

Conclusion

As a rule of thumb, any arrangement that sells tickets for a draw *and* to the public may require Registration or a Permit from the Commission. Once a club or society decides on public involvement in gambling themed fund raising, please read the advice on the website or contact the Commission for guidance on what you can do and clarity on your responsibilities.

Further information on the broader spectrum of Membership Gambling Services can also be found on the Commission's website.

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