



www.oag.ca.gov/charities

Resources available on the Attorney General's web site include:

- Raffles FAQs
- Raffles Registration Form
- Raffles Reporting Form
- Raffles Statutes
- Raffles Regulations

*For questions and more information,
contact:*

**Registry of Charitable Trusts
California Attorney General's Office
P.O. Box 903447
Sacramento, CA 94203-4470
Phone: (916) 210-6400**

A Guide To Penal Code Section 320.5



July 2007

**Office of the
Attorney General
State of California**

Charity Raffles



In California, charities and certain other private nonprofit organizations may conduct raffles to raise funds for beneficial or charitable purposes in the state. This guide covers basic information you should know about charity raffles.

What is a raffle?

A raffle is the purchase of a chance to win a prize using a paper ticket with identifying number and detachable stub. Ticket stubs are drawn at random to determine a winner. State law does not specify limits on the value of prizes.

Who can conduct raffles?

Only “eligible” organizations are permitted to conduct charity raffles. These are:

- Private nonprofit organizations qualified to do business in California for at least one year prior to conducting a raffle;
- Organizations exempt from taxation under California Revenue & Tax Code section 23701a, b, d, e, f, g, k, l, t or w.

What are the registration requirements?

Before conducting a raffle, an eligible organization must register with the Attorney

General’s Registry of Charitable Trust and receive a letter confirming registration. The raffle registration period runs from September 1 through August 31. Each chapter of a statewide organization must register separately to operate a raffle. This raffle registration is separate and different from the registration required of nonprofit organizations under Government Code section 12580 et. seq.

Who is exempt from raffle registration?

Nonprofit religious organizations; schools and colleges; and hospitals.

What reports must be filed?

The organization conducting a raffle must file a separate disclosure report with the Registry of Charitable Trusts for each raffle held. This report detailing raffle proceeds must be filed no later than August 31.

What information must be reported?

The organization conducting a raffle must report:

- Date and location of the raffle;
- Total funds received;
- Total expenses for conducting the raffle;
- Charitable or beneficial purpose for which proceeds will be used;
- Name of the eligible organization receiving the proceeds.

Reporting forms are available from the Registry

of Charitable Trusts.

Do individual ticket buyers need to be reported?

No.

What restrictions apply to conducting charitable raffles?

State law specifies these conditions:

- Ninety percent (90%) of the gross receipts from ticket sales for each draw must be used by the eligible organization for its charitable or beneficial purpose; or be given to another eligible organization for its charitable or beneficial purpose.
- Proceeds must be used in California.
- None of the 90% of funds restricted for charitable purposes can be paid to those operating the raffle.
- Cannot advertise, sell or conduct the raffle on the Internet.
- Cannot use gaming or slot machines to conduct raffles.
- Cannot sell tickets or conduct raffles in a satellite wagering facility, at a racetrack or gambling establishment.
- No individual, corporation or other legal entity may have a financial interest in the raffle, except the eligible organization conducting or receiving proceeds from the raffle.