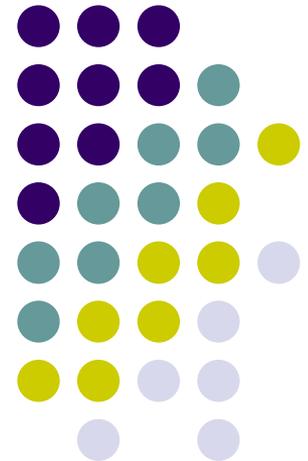
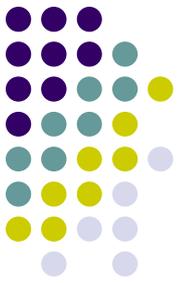


# Raffles

American Legion Auxiliary  
Department of California  
Kathy Tellyer  
Treasurer





# Overview

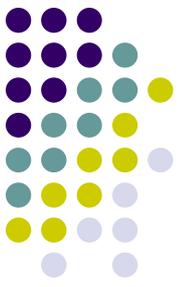
Raffle

Raffle Rules

Reporting Requirements

Additional Information

Please Note: Charitable organizations are required to file an RRF-1 and CT-TR-1. These filings have nothing to do with raffles.



# What is a raffle?

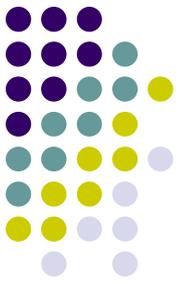
A type of lottery in which prizes are awarded to people who pay for a chance to win. A winning ticket is drawn from all the entries.

- Any scheme involving a prize where payment or purchase of something will increase the chance of winning the prize is considered a raffle even if there is a free entry option available.

# Who can conduct a raffle in California?

- Only nonprofits can conduct a raffle in California.
- Raffle must be conducted by the charity, its employees or volunteers
- Proceeds must support a charitable program in California

# Before a Charity can conduct a raffle



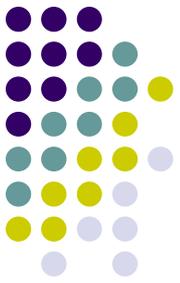
- Application for Registration – CT-NRP-1
- Charity must be in good standing with the Registry
- Charity has been qualified to conduct business in California for at least one year
- Must show proof of tax-exempt status with the FTB
  - Go to [ftb.ca.gov](http://ftb.ca.gov)
  - Business help
  - Entity Status Letter
  - Check Status – letters can be downloaded and printed. Letter is required to register your raffle.
- Under Penal Code section 320.5:
  - You must submit raffle registration 60 days prior to the date set for your raffle.

# Reporting Requirements



- Raffle calendar begins January 1 and ends December 31
- At the end of the raffle year the charity must:
  - Complete Nonprofit Raffle Report – Form CT-NRP-2
    - Only one report is required for all raffles held during the year
  - This report, which provides the results of the raffle(s), must include ALL raffles during the year and is due by Feb 1st
  - The reporting requirement applies even if the charity held no raffle after registering for one.
  - Failure to file the report will lead to denial of future raffle registration.
- 90/10 Rule Applies
  - 90% of the proceeds must be used for charitable purposes
  - 10% can be used for expenses/operating costs

# Additional Information



- Using websites or other online platforms to sell raffle tickets is illegal.
- If you fail to comply with the raffle registration and reporting requirements this is a violation of Penal Code 320.5. The Attorney General, a District Attorney, City Attorney, or County Counsel have jurisdiction to enforce administrative or criminal actions. If you failed to register or file reports, contact the Registry.
- If you failed to file a raffle report – The Registry will not renew your organizations raffle registration. Even if your organization cancelled or held no raffles, if you registered, you must submit a report.
- Conducting an illegal raffle may be prosecuted as a criminal misdemeanor
- Attorney General website: [oag.ca.gov/charities/raffles](https://oag.ca.gov/charities/raffles)