

LGA news

With the growing popularity of raffles, the LGA has received many questions from municipalities and First Nations about whether or not they can license different types of raffles being proposed by local organizations.

Answers to the questions we hear most often are provided here.

Raffles: Questions and Answers

What is a **local gaming authority**?

Under *The Liquor and Gaming Control Act*, a local gaming authority is a municipality, local government district or incorporated community, or a First Nation that does not have a gaming commission agreement with the Province.

What **types of licences** can a local gaming authority issue?

- Local gaming authorities are allowed to license organizations located within their boundaries to hold raffles where the total prizes for each raffle do not exceed \$3,000.
- Local gaming authorities may only issue raffle licences to charitable or religious organizations, in keeping with Section 207(1)(b) of the *Criminal Code (Canada)*.
- Local gaming authorities may set their own terms and conditions for these raffles.

Can a local gaming authority issue a raffle licence to a **local hotel or other business**?

- No. A business or individual cannot hold a raffle licence from a local gaming authority. Local gaming authorities may only issue licences to charitable or religious organizations.
- Businesses or individuals may be referred to the LGA to determine if their request can be licensed under a different section of the *Criminal Code (Canada)*.



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What types of raffles can be licensed?

Local gaming authorities can license all types of raffles, as long as they're within the prize limit of \$3,000. The most popular types of raffles include:

- **Chase the Card:** These raffles are commonly known as Chase the Ace, but can also be called Chase the Queen, Track the Jack, or other variations. Their unique feature is that tickets are sold for the chance to pick a playing card from a deck that is spread out, face down. Tickets are only sold for a few hours and the winner must be present when the winning ticket number is drawn. The winner of the draw receives the chance to select a card with the goal of choosing the Ace, Queen or whichever card will allow them to win a prize that builds from week to week.

Once a playing card is chosen by the winner, it is removed from the deck, and the odds of choosing the correct card improve for the next event. If the winner does not choose the correct card, they may win a consolation prize.

- **50/50 Raffles:** These simple raffles are favoured by many types of organizations because they are quick and easy to operate. Tickets are sold and the prize is drawn on the same day. Prizes are typically 50% of the revenue from ticket sales. In the case of a sports team, the tickets are sold throughout the first half of the game and the winning ticket is drawn and announced during intermission or the half-time break. The winner must be present to claim their prize in most cases. The prize does not build or carry over to the next week.
- **Merchandise Raffles.** These are traditional raffles where the tickets are custom printed and sold over a longer period of time. The draw takes place on a pre-determined date (shown on the ticket). The winner usually has to be contacted to be notified of their win.

Can a local gaming authority license Chase the Card raffles?

Yes, but the maximum prize amount is limited. The licensee could allow the prize to build to \$3,000, and then they must freeze the prize at this level. This type of raffle has the potential to run (and sell tickets) for 52 weeks, if the organization uses a 52-card deck and holds this raffle once per week.



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We licensed an organization to hold a Chase the Card raffle. They reached the \$3,000 prize limit after holding only five events. **Now they want to start a second prize pot.** They will have two decks of cards to choose from, with a maximum prize of \$3,000 each. Can we license this?

Yes, but you must issue two licences in this situation, because two raffles are being run. This would also require the organization to sell two separate sets of tickets that are different colours (i.e. one for each deck of cards).

Our local hockey team holds 50/50 raffles at every game. They usually have 75 to 80 people attending each game and there are just over 20 games played each season.

Should we refer this team to the LGA for a licence?

The team could get their licence from the local gaming authority as long as ticket sales under the licence do not exceed \$6,000. The prize limit of \$3,000 must be maintained.

We are not interested in licensing Chase the Card raffles, although we do license other types of raffles. **Do we have to license Chase the Card raffles?**

No, you are not obligated to issue raffle licences of any type. You can refer any organizations within your boundaries to the LGA for a raffle licence if they are seeking a type of licence that you do not offer.

Additional questions about raffles?

Contact our Gaming Licensing Department at 1-800-782-0363 or by email at gaminglicence@LGAmanitoba.ca.