

Conduct of Lotteries

As the purpose of permitted lotteries is to raise money for non-commercial causes, the Act requires that a minimum proportion of the money raised by the lottery is channelled to the goals of the society that promoted the lottery. If a small society lottery does not acquiesce with these limits it will be in breach of the Act's provisions, and consequently be liable for prosecution.

The limits placed on small society lotteries are as follows:

- at least 20% of the lottery proceeds must be applied to the purposes of the society (schedule 11, paragraph 33);
- no single prize may be worth more than £25,000 (schedule 11, paragraph 34);
- rollovers between lotteries are only permitted where every lottery affected is also a small society lottery promoted by the same society, and the maximum single prize is £25,000 (schedule 11, paragraph 35); and
- every ticket in the lottery must cost the same and the ticket fee must be paid to the society (i.e. the society must take payment) before entry into the draw is allowed. (schedule 11, paragraph 37).

The following conditions apply:-

(a) the promoter of the lottery must be a member of the society authorised in writing by the governing body of the society to act as such;

(b) the advice of the Home Office and the Gaming Board is that, to prevent confusion, no two lotteries should have the same date; however, this is not prevented by law and when the date of two or more lotteries promoted on behalf of one society is the same they must be distinguished by having different serial numbers printed on the tickets;

(c) every ticket distributed or sold must specify the name of the society, the name and address of the promoter, the price of the ticket (which must be the same for all tickets) and the date of the lottery.

(d) every ticket distributed or sold in a lottery must also specify that the society is registered either with the local authority, in which case the name of the authority must be included;

(e) no ticket or chance may be sold by or to any person under the age of sixteen years;

(f) no ticket or chance may be sold by means of any machine, or to a person in any street (except by a person present in a kiosk or shop premises having no space for the accommodation of customers) and no ticket or chance may be sold in any licensed betting office;

g) no person may be admitted to participate in a lottery in respect of a ticket or chance except after payment to the society of the whole price of a ticket or chance, and no money received for or on account of a ticket or chance may in any circumstances be returned;

(h) no payment other than the price of a ticket or chance may be required of a person as a condition of his admission to participate in a society's lottery;

(i) the whole proceeds after deducting sums lawfully appropriated on account of expenses or for the provision of prizes, must be applied to the purposes of the society such as are described in paragraph 2 above;

(j) no person supplying lottery tickets may be requested or required to supply them in such manner, or so marked, as to enable a winning ticket (i.e. a ticket entitling the holder to claim a prize) to be identified as such before it is sold. This regulation applies to tickets (commonly known as "instant lottery" tickets) which are manufactured or designed so as to conceal such words, figures, symbols, etc, as would, if revealed, indicate whether a ticket is a winning ticket or not;

(k) prizes may be donated to a lottery at reduced cost or free, but the value of any such prizes must not exceed £25,000;

(l) the amount of the proceeds of a society's lottery appropriated for the provision of prizes and expenses together must not exceed 80%.

Any breach of these conditions constitutes an offence for which the promoter (unless the contravention took place without his or her knowledge) and any person who is a party thereto will be liable to prosecution, in accordance with the provisions of section 13 of the Act.