# Intro to Raffles—Frequently Asked Questions

## 1. Can anyone hold a raffle in Michigan?

Raffles may only be held by a non-profit organization that has been previously <u>qualified</u> by the Charitable Gaming Division and whose <u>Raffle License Application</u> has been approved.

## 2. Do I need a license for every raffle?

Yes. However, one license may be issued for multiple drawing dates at the same location.

## 3. If my prizes are donated do I still need a license?

Yes. A raffle license is required even if prizes are donated.

# 4. How do I apply for a raffle license? How early can I apply?

The <u>Raffle License Application</u> can be found at Michigan.gov/cg and can be submitted along with appropriate fees up to 18 months in advance.

# 5. What types of tickets are used in a raffle?

There are generally two types of tickets—roll-type and preprinted. Raffle tickets contain a unique number that is printed on both sections of a perforated ticket where the stub can be separated and entered into a drawing.

Roll-type (theatre style) tickets can be found at office supply stores, superstores, and online. These tickets may only be sold during the hours and at the location on the license (in-house). They *typically* are sold at sporting events and fundraisers. Often the licensee awards 50% of sales as prizes (50/50 raffle).



<u>Pre-printed tickets</u> are designed and professionally printed. They must contain the license number, licensee name, top prize(s), and other information required by the rules. Pre-printed tickets may be sold once a license has been issued and the tickets are printed with all required content.

# 6. Is the value of raffle prizes limited?

Under a small raffle license, the total value of all prizes may not exceed \$500. Where the total value of prizes exceeds \$500, a large raffle license is required. NOTE: When prizes are donated, the value of a prize is the retail value had it been purchased. With handmade items, the donor should set the value.

#### 7. How much does a license cost?

A large raffle license is \$50 per drawing date. A small raffle license is \$15 for up to three drawing dates at the same location and \$5 for each additional date.

# 8. How many raffle licenses can my organization obtain per year?

There is no limit to the number of raffle licenses a qualified organization may hold per year.

## 9. Do I need a raffle license to hold a silent auction?

Silent auctions do not require a license because they are not games of chance.

### 10. What is the minimum age to sell and/or purchase raffle tickets?

A person must be at least 18 years old to buy or sell raffle tickets.

# 11. When can tickets be sold?

Roll-type tickets may be sold during the hours indicated on the license.

Preprinted tickets may be sold once the license has been issued and the tickets are printed with all required ticket content.

# 12. Where can drawings be conducted?

Drawings may only occur at the location indicated on the license.

## 13. Can I advertise our license in the local paper?

The event may be advertised by any legal means once the license number has been issued. The license number must appear in any advertisements.

The Raffle Guide is a resource that can answer most other questions relating to a raffle event.