

## Gratuitous lotteries

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A gratuitous lottery is a lucky door or lucky seat promotion. You cannot charge an entry or participation fee for a gratuitous lottery and you don't need a permit. The total value of prizes cannot exceed \$30,000 and the law prohibits money prizes. A gratuitous lottery is conducted under section 4G of the *Lotteries and Art Unions Act 1901*.

In a gratuitous lottery, people are attending an event or participating in an activity to raise funds for charities and other not-for-profit organisations. For example, the right to entry in a draw may be based on:

- the purchase of a plate at a fundraising dinner function
- the purchase of a ticket to a fundraising ball
- the purchase of a ticket for a seat at a particular fundraising event or function
- the giving of money to a charity or not-for-profit organisation as part of a fundraising appeal
- a person completing a survey for government or non-commercial bodies
- a person completing a government promotion (e.g. a bicycle or road safety promotion)
- a person participating in a function as part of a fundraising campaign for a political candidate or party.

### Prizes

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The total value of prizes in a gratuitous lottery cannot be more than \$30,000. Prizes can be goods, wares, merchandise, services, vouchers for goods or services that are not redeemable for money, tickets for admission to any entertainment and tickets for tours or journeys.

#### **Prohibited prizes**

The following are prohibited as a prize:

- money prizes (e.g. cash, cheque)
- tobacco products in any form
- firearms or ammunition
- prohibited weapons
- cosmetic surgery or other procedure designed to improve personal appearance
- liquor prizes - 20 litres of liquor with an alcohol content not exceeding 20 percent by volume or 5L of liquor with an alcohol content exceeding 20 percent by volume.

## Health regulations

The offer of perishable items such as green groceries, meat and fish as prizes is regulated under the *Food Act 2003*. Such prizes must satisfy the same requirements that apply to food sold through normal retail outlets. These include:

- the manner of handling and packaging the food
- the manner of labelling packages of food
- the temperature at which food must be kept.

Contact [NSW Health](#) for more information. Fish prizes must also comply with the *Fisheries Management Act 1994* and the *Fisheries Act 1935*. A special permit is required. Contact the [NSW Department of Primary Industries](#) for more information.

## Notifying winners

Normally you would notify each prize winner at the event or activity attended by the lottery participants. If this is not possible, you should notify each prize winner within two days of deciding the winner. You should arrange for the relevant prize to be given to each prize winner within seven days after the result is decided.

## Restrictions and responsibility

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### **Can under 18s participate?**

Yes. The lottery organiser, and perhaps the intended participants, should decide this before conducting the lottery.

### **Can persons organising or conducting the lottery participate?**

Yes. But organisers should be aware that, if they or their families participate in a lottery and win a prize, other participants may complain.

### **Who is responsible for the lottery?**

The promoter or organisers are jointly and individually responsible for the proper management and conduct of the lottery.

## Advertising

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You cannot publish any lottery advertising that:

- encourages a breach of the law
- depicts children participating in a lottery activity
- is false, misleading or deceptive
- suggests that winning will be a definite outcome of entering or participating in the lottery activity

- suggests that entering or participating in the lottery activity will definitely improve a person's financial prospects
- is not conducted in accordance with decency, dignity and good taste.

## Records

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There is no requirement to keep records.

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<https://www.fairtrading.nsw.gov.au/games-of-chance/community-gaming/games-run-by-anyone/gratuitous-lotteries>

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