



120 Barrington Avenue East Dundee, IL 60118

(847) 428-2822 (847) 428-2956 FAX

APPLICATION FOR LICENSE TO CONDUCT A RAFFLE

(Ordinance No. 17-44 – Passed 8/21/17)

Name of Organization: _____

Address of Organization: _____

Chairman Name: _____

Address: _____

Phone Number: _____

Date of Birth: _____

Secretary Name: _____

Address: _____

Phone Number: _____

Date of Birth: _____

Raffle Conductor Name: _____

Address: _____

Phone Number: _____

Date of Birth: _____

Aggregate retail value of all prizes to be awarded in the raffle: _____

Maximum retail value of each prize awarded: _____

Maximum price charged for each raffle change issue or sold: _____

Maximum number of raffle chances to be issued: _____

Dates raffle chances will be sold: _____

Location(s) and time(s) at which raffle chances will be sold: _____

Raffle will be held on (Date): _____ Time: _____ Location: _____

During the following event: _____

This organization has been in existence since _____ and operates without profit to its members.

If Incorporated, list the date and state of incorporation: _____

License Fee: **None**

Please check the appropriate box that best describes your organization.

- BUSINESS:** A voluntary organization composed of individuals and businesses who have joined together to advance the commercial, financial, industrial and civic interests of a community.
- CHARITABLE:** An organization or institution organized and operated to benefit an indefinite number of the public. The service rendered to those eligible for benefits must confer some benefit on the public.
- EDUCATIONAL:** An organization or institution organized and operated to provide systematic instruction in useful branches of learning by methods common to schools and institutions of learning which compare favorably in their scope and intensity with the course of study presented in tax-supported schools.
- FRATERNAL:** An organization of persons having a common interest, the primary interest of which is to both promote the welfare of its members and to provide assistance to the general public in such a way as to lessen the burdens of government by caring for those who otherwise would be cared for by the government.
- LABOR:** An organization composed of workers organized with the objective of betterment of the conditions of those engaged in such pursuit and the development of a higher degree of efficiency in their respective occupations.
- NONPROFIT:** An organization organized, operated and conducted on a not-for-profit basis with no personal profit incurring to anyone as a result of the operation.
- RELIGIOUS:** Any church, congregation, society or organization founded for the purpose of religious worship.
- VETERANS:** An organization or association comprised of members of which substantially all are individuals who are veterans or spouses, widows or widowers of veterans, the primary purpose of which is to promote the welfare of its members and to provide assistance to the general public in such a way as to confer a public benefit.

We _____ and _____, affirm that we are the Presiding Officer and Secretary, respectively, of our organization and that we have read the information set forth in the above application and in the attached regulations, and that the same is true in substance and in fact. All qualified contributions from this raffle event will be distributed in accordance with the Internal Revenue Code Section 170.

Presiding Officer

Secretary

Please include the following with your application:

501c3 determination letter (or proof of 501c3 status)

Bond or proof that the applicant's members unanimously approved a waiver of a bond as noted under Section 120.09

CHAPTER 120: RAFFLE LICENSE

§120.01 PURPOSE.

The purpose of this Chapter is to regulate and control the conduct of raffles within the corporate limits of the village.

§120.02 DEFINITIONS.

For purposes of this Chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

ANNUAL AGGREGATE RETAIL VALUE OF PRIZES. The total retail value of all prizes to be raffled by any organization, licensed under this chapter, during the license period.

LICENSEE. An organization which has been issued a license to operate a raffle.

NET PROCEEDS. The gross receipts from the conduct of raffles, less reasonable sums expended for prizes, local license fees and other reasonable operating expenses incurred as a result of operating a raffle.

PERSON. An individual, firm, organization, public or private corporation, government, partnership or unincorporated association.

RAFFLE. A form of lottery, as defined in Section 28-2(b) of the “Criminal Code of 1961,” conducted by an organization licensed under this chapter in which:

- (1) The player pays or agrees to pay something of value for a chance, represented and differentiated by a number or by a combination of numbers or by some other medium, one or more of which chances is to be designated the winning chance;
- (2) The winning chance is to be determined through a drawing or by some other method based on an element of chance by an act or set of acts on the part of persons conducting or connected with the lottery, except that the winning chance shall not be determined by the outcome of a publicly exhibit sporting contest.

§120.03 RAFFLE LICENSE REQUIRED.

It shall be unlawful for any person or organization to conduct or operate a raffle or to sell, offer for sale, convey, issue or otherwise transfer for value a chance on a raffle without first having obtained a license therefor pursuant to this Chapter.

§120.04 MULTIPLE RAFFLES.

A person eligible for licensure under this Chapter desiring to hold more than one raffle during the license period may apply for a multiple raffle license. For purposes of this paragraph only, a “raffle” is considered to be a single location and time of determining a winning chance(s). Multiple prizes and drawings may be held at any one time and location.

§120.05 LICENSEE QUALIFICATIONS.

(A) Licenses shall be issued only to bona fide religious, charitable, labor, business, fraternal, educational or veterans' organizations that operate without profit to their member and which have been in existence continuously for a period of 5 years immediately before making application for a raffle license and which have had during that 5-year period a bona fide membership engaged in carrying out their objects, or to a non-profit fundraising organization that the village administrator, or his or her designee, determines is organized for the sole purpose of providing financial assistance to an identified individual or group of individuals suffering extreme financial hardship as the result of an illness, disability, accident or disaster.

(B) The following are ineligible for any license under this Chapter:

- (1) Any person who has been convicted of a felony;
- (2) Any person who is or has been a professional gambler or gambling promoter;
- (3) Any person who is not of good moral character;
- (4) Any organization in which a person defined in (1), (2), or (3) above has a proprietary, equitable or credit interest, or in which such person is active or employed;
- (5) Any organization in which a person defined in (1), (2), or (3) above is an officer, director or employee, whether compensated or not; and,
- (6) Any organization in which a person defined in (1), (2), or (3) above is to participate in the management or operation of a raffle as defined herein.

(C) 120.06 LICENSE APPLICATION.

Any person seeking to conduct or operate a raffle shall file an application for a license with the village administrator, or his or her designee, on forms provided by the village. Said application shall contain the following information:

- (1) The name, address and type of organization;
- (2) The length of existence of the organization and, if incorporated, the date and state of incorporation;
- (3) The name, address, telephone number, and date of birth of the organization's presiding officer, secretary, raffles manager and any other members responsible for the conduct and operation of the raffle;
- (4) The aggregate retail value of all prizes to be awarded in the raffle;
- (5) The maximum retail value of each price to be award in the raffle;
- (6) The maximum price charged for each raffle chance issued or sold;
- (7) The maximum number of raffle chances to be issued;
- (8) The area or areas in which the raffle chances will be sold or issued;
- (9) The time period during which raffle chances will be issued or sold;
- (10) The date, time and location at which winning chances will be determined;
- (11) A sworn statement attesting to the not for profit character of the applicant organization, signed by the presiding officer and secretary of that organization; and,
- (12) A certificate signed by the presiding officer of the applicant organization attesting to the fact that the information contained in the application is true and correct.

§120.07 LICENSE ISSUANCE.

The village administrator, or his or her designee, shall review all raffle license applications within ten (10) days from the date of application and shall, within thirty (30) days from the date of application, approve or deny a license application. If an application is approved, the village administrator, or his or her designee, shall forthwith issue a license to the applicant. A raffle license shall be valid for a period of one year from the effective date.

§120.08 CONDUCT OF RAFFLES.

The operation and conduct of raffles are subject to the following restrictions:

- (1) The entire net proceeds of any raffle must be exclusively devoted to the lawful purpose of the licensee;
- (2) No person except a bona fide member of the licensee may participate in the management or operation of the raffle;
- (3) No person may receive remuneration or profit for participating in the management or operation of the raffle;
- (4) A licensee may rent a premises on which to determine the winning chance or chances in a raffle only from an organization which is also licensed under this Chapter.
- (5) Raffle chances may be sold, offered for sale, conveyed, issued or otherwise transferred for value only within the area specified on the license; and the winning chances may be determined only at the location specified on the license;
- (6) No person under the age of eighteen (18) years may participate in the operation or conduct of raffles. A person under the age of eighteen (18) years may be within the area where winning chances in a raffle are being determined only when accompanied by his parent or legal guardian.

§120.09 RAFFLES MANAGER.

The operation and conduct of a raffle shall be under the supervision of a single raffle manager designated by the licensee. The manager shall give a fidelity bond equal in amount to the aggregate retail value of all prizes to be awarded in favor of the licensee conditioned upon his honesty in the performance of his duties. The terms of the bond shall provide that notice shall be given in writing to the village not less than thirty (30) days prior to its cancellation. The bonding requirements set forth herein may be waived by the village administrator, or his or her designee, if the applicant provides sufficient proof that the applicant's members have unanimously approved the waiver.

§120.10 RECORDS.

- (a) Each licensee shall keep records of its gross receipts, expenses and net proceeds for each single gathering or occasion at which winning chances are determined. All deductions from gross receipts for each single gathering or occasion shall be documented with receipts or other records indicating the amount, a description of the purchased item or service or other reason for the deduction, and the recipient. The distribution of net proceeds shall be itemized as to payee, purpose, amount and date of payment.
- (b) Gross receipts from the operation of raffles shall be segregated from other revenues of the licensee, including bingo gross receipts. If bingo games are also conducted by the same nonprofit organization pursuant to license therefor issued by the state department of revenue, proceeds must be placed in a separate account. Each licensee shall keep separate records of its raffles. The person who accounts for gross receipts, expenses and net proceeds from the operation of raffles shall not be the same person who accounts for other revenues of the licensee.
- (c) Each licensee shall report promptly after the conclusion of each raffle to its membership. Each raffle licensee shall report promptly to the village administrator, or his or her designee, its gross receipts, expenses and net proceeds from the raffle, and the distribution of net proceeds itemized as required herein.
- (d) Raffle records shall be preserved for three (3) years, and organizations shall make available their records relating to the operation of raffles for public inspection at reasonable times and places.

§120.11 PRIZE LIMITATIONS.

The annual aggregate retail value of all prizes awarded in a single year by a single raffle licensee shall not exceed ten thousand dollars (\$10,000.00), and the retail value of any one (1) prize awarded in a single raffle shall not exceed ten thousand dollars (\$10,000.00).

§120.12 CHANCE LIMITATION.

The price which may be charged for each raffle chance sold, offered for sale, conveyed, issued or otherwise transferred for value shall not exceed five hundred dollars (\$500.00).

§120.13 PENALTIES.

Failure to comply with any of the requirements of this Chapter shall constitute a violation; and any person, upon conviction thereof, shall be fined not more than seven hundred fifty dollars (\$750.00) for each offense. Each day the violation continues shall constitute a separate offense.