

Chapter 48

RAFFLES

48.1: DEFINITIONS:

As used in this Chapter, the following terms have the indicated meanings:

BUSINESS: A voluntary organization composed of individuals and businesses who have joined together to advance the commercial, financial, industrial and civic interest 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 also confer some benefits 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 burden of government by caring for those who otherwise would be cared for by 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.

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.

NONPROFIT: An organization or institution organized and conducted on a not-for-profit basis with no personal profit incurring to anyone as a result of the operation.

RAFFLE: A form of lottery, conducted by an organization licensed under this Chapter, in which:

- A. The player pays or agrees to pay something of value for a chance represented and differentiated by a combination of numbers or by some other medium, one or more of which chances are to be designated the winning chance;
- B. 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 exhibited sporting contest.

RELIGIOUS: Any church, congregation, society or organization founded and operating 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, or widows 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. (1992 Code)

48.2: LICENSE REQUIRED:

No person, firm or corporation shall conduct a raffle in the Village without first having obtained a license for a raffle pursuant to the provision of this Chapter. Licenses issued pursuant to this Chapter shall be valid for one raffle or for a specific number of raffles to be conducted during a specified period not to exceed one year. (1992 Code)

48.3: LIMITATIONS:

A. Eligibility For License: Licenses to conduct raffles or chances shall be issued only to bona fide religious, charitable, labor, fraternal, educational, business or veterans' organizations which operate without profit to their members, as defined in Section [48.1](#) of this Chapter. Said organizations must have been in continuous existence for a period of five (5) years immediately prior to making application for a license and must also have had a bona fide membership engaged in carrying out their objects for that entire five (5) year period or must be nonprofit fund-raising organizations which the Village Board determines are 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 illness, disability, accident or disaster. Said organizations shall have their principal place of business in the Village unless otherwise provided by resolution of the Village Board.

B. Prohibition From Licensing: The following are not eligible for any license:

- (1) Any organization in which a person who has been convicted of a felony, or who is or has been a professional gambler or gambling promoter, or who is not of good moral character, has a proprietary, equitable, or credit interest, or in which such person is active or employed;
- (2) Any organization in which a person who has been convicted of a felony, or who is or has been a professional gambler or gambling promoter, or who is not of good moral character, is an officer, director or employee whether compensated or not; and
- (3) Any organization in which a person who has been convicted of a felony, or who is or has been a professional gambler or gambling promoter, or who is not of good moral character, is to participate in the management or operation of a "raffle" as defined in this Chapter. (1992 Code)

48.4: APPLICATIONS:

Applications for license to conduct raffles shall be made in writing and delivered to the Village Manager. Such applications shall contain the following information:

- A. The name and address of the applying organization;
- B. The area or areas within the Village in which raffle chances, tickets and the like will be sold or issued;
- C. The time period during which raffles chances will be sold or issued;
- D. The time of determination of winning chances and the location or locations at which winning chances will be determined;
- E. The name of the raffle manager designated by the organization;
- F. A sworn statement attesting to the not-for-profit character of the prospective licensee organization signed by the presiding officer and secretary of the prospective licensee organization. (1992 Code)

48.5: LICENSE ISSUANCE, DENIAL, CONDITIONS, FEE:

Within fourteen (14) days from the date of an application for a license, the Village Manager shall either issue a license or advise, in writing, the applicant of the reason for denial of a license. The license is subject to the following conditions and restrictions:

- A. Number Of Raffles Limited: Each license is valid for one raffle only; (1992 Code)
- B. No Fee: There shall be no fee charged for the license; (1992 Code; amd. 2000 Code)
- C. Retail Value Of Prizes: The aggregate retail value of all prizes or merchandise awarded by a licensee in a single raffle shall not exceed twenty five thousand dollars (\$25,000.00) unless otherwise provided by resolution of the village board;

- D. Exception To Value Of Prizes Restriction: The retail value of each prize or item of merchandise awarded by a licensee in a single raffle shall not exceed twenty five thousand dollars (\$25,000.00) unless otherwise provided by resolution of the village board;
- E. Price For Raffle Chances: The price which may be charged for each raffle chance, ticket, and the like issued or sold by a licensee in a single raffle shall not exceed one hundred dollars (\$100.00), unless otherwise provided by resolution of the village board; and
- F. Issuance Of Chances; Time Limit: The maximum number of days during which chances, tickets, and the like may be issued or sold shall be ninety (90) days, unless otherwise provided by resolution of the village board. (1992 Code)

48.6: CONDUCT OF RAFFLES:

The conducting of raffles within the village is subject to the following conditions and restrictions:

- A. Disposition Of Proceeds: The entire net proceeds of any raffle must be exclusively devoted to the lawful purpose of the organization permitted to conduct that game;
- B. Management: No person except a bona fide member of the sponsoring organization may participate in the management or operation of the raffle;
- C. Remuneration: No person may receive any remuneration or profit for participating in the management or operation of the raffle;
- D. Licensee Name On Tickets: The name and address of the sponsoring licensee organization shall be included on all raffle chances, tickets and the like sold by said licensee organizations; (1992 Code; amd. Ord. 97-09-22)
- E. Chances: Raffle chances may be sold or issued only within the areas specified on the license, and winning chances may be determined only at those locations specified on the license;
- F. General Public: All drawings for the winning raffle ticket or tickets shall be held in a place open to the general public; (1992 Code)

- G. Minors: A person under the age of eighteen (18) years may participate in the conducting of raffles or chances only with the permission of a parent or guardian. A person under the age of eighteen (18) years may be within the area where winning chances are being determined only when accompanied by his or her parent or guardian; (Ord. 97-09-22)
- H. Rental Of Premises: 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;
- I. Liability: If a lessor rents premises where a winning chance or chances on a raffle are determined, the lessor shall not be criminally liable if the person or organization who uses the premises for the determining of winning chances does not hold a license issued under the provisions of this chapter. (1992 Code)

48.7: RAFFLES MANAGER, BOND:

All operation of and the conduct of raffles shall be under the supervision of a single raffles manager designated by the licensee. Said manager shall give a fidelity bond in the sum of the total amount of the aggregate fair market value of all of the prizes in favor of the organization conditioned upon said manager's honesty and the performance of duties by said manager. 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 village manager may waive this bond requirement. (Ord. 16-07-26)

48.8: RECORDS AND REPORTING REQUIREMENTS:

Each organization licensed to conduct raffles and chances pursuant to this chapter shall keep records, provide reports and be subject to the following requirements:

- A. Each licensee shall keep records of gross receipts, expenses and net proceeds for each raffle at which winning chances are determined. All deductions from gross receipts for each single raffle shall be documented with receipts or other records indicating the amount, a description of purchased items 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 raffle programs shall be segregated from other revenues of the organization, including bingo gross receipts, if bingo games are conducted by the same nonprofit organization pursuant to license therefor issued by the Illinois department of revenue, and its raffles. The person who accounts for gross receipts, expenses and net proceeds from the

operation of raffles shall not be that same person who accounts for other revenues of the organization.

- C. Each organization licensed to conduct raffles shall, promptly upon the conclusion of each raffle, and in no case more than sixty (60) days after the drawing is held, report to its membership and to the village its gross receipts, expenses and net proceeds from such raffle, and the distribution of net proceeds itemized as required in this section.
- D. Records required by this chapter shall be preserved for three (3) years, and organizations shall make available their records relating to operation of raffles for public inspection at reasonable times and places. (1992 Code)

48.9: CONSTRUCTION OF CHAPTER:

Nothing in this chapter shall be construed to authorize the conducting or operating of any gambling scheme, enterprise, bingo or other games, activity or device other than raffles as provided for in this chapter. (1992 Code)