

Raffles and trade promotion lotteries (NSW)

Legal information for NSW community organisations

This fact sheet covers:

- ▶ who regulates community gaming in NSW?
- ▶ what is a raffle and what are the requirements to hold a raffle?
- ▶ what is a trade promotion lottery and what are the requirements to conduct a trade promotion lottery?
- ▶ games of chance vs games of skill

This fact sheet summarises some of the legal issues to be aware of when conducting raffles and trade promotion lotteries in New South Wales.

Each Australian state and territory has its own rules relating to raffles, trade promotion lotteries and other gambling activities and there are differences across jurisdictions.

If your organisation wants to conduct a raffle or trade promotion lottery:

- in another state or territory, or
- where entrants can enter from different states or territories (for example, an online trade promotion lottery),

you must comply with the relevant laws for each state and territory.



Disclaimer

This fact sheet provides information on raffles and trade promotion lotteries in New South Wales. This information is intended as a guide only and is not legal advice. If you or your organisation has a specific legal issue, you should seek legal advice before deciding what to do.

Please refer to the full disclaimer that applies to this fact sheet.

Who regulates community gaming in New South Wales?

A lottery or game of chance occurs when a not-for-profit organisation promotes its purpose by offering prizes to winners, selected by the outcome of games of chance.

Entry may be free, tied to some activity or purchase, or for a fee. Such activities may include competitions, contests, giveaways, and random draws – in essence, any promotion where an **element of chance**, rather than pure skill, determines the winner of the prize.

For not-for-profit organisations in NSW, different rules apply to:

- gratuitous lotteries – where the right to entry is free, but may depend on a purchase of some other kind (for example, the purchase of a ticket for a fundraising ball, or making a donation to a charity)
- trade promotion lotteries to promote a trade or business, and
- other lotteries and games of chance with paid entry

In New South Wales, the [Community Gaming Act 2018 \(NSW\)](#) and the [Community Gaming Regulation 2020 \(NSW\)](#) (**Gaming Laws**) govern the conduct of raffles and community gaming. The Gaming Laws are administered and regulated by NSW Fair Trading.

In addition, if a lottery is conducted to raise funds for a charitable purpose the [Charitable Fundraising Act 1991 \(NSW\)](#) (**NSW Fundraising Law**) will also apply.



The Gaming Laws govern the conduct of the following different games:

Housie and bingo – a game of probability where players mark off numbers on pre-printed cards as numbers are drawn randomly by a caller. The player who marks off all their numbers first and calls out 'bingo' is the winner. An authority is not required as long as the game is used to raise funds for a not-for-profit organisation. Housie and bingo operators must be authorised in writing by the benefiting organisation.

No draw lotteries ('scratchies') involve people purchasing tickets that contain hidden symbols revealed by scratching off some covering material. The winning symbols are randomly distributed among the tickets.

Promotional raffle – a game conducted by a registered club that holds a licence under the [Liquor Act 2007 \(NSW\)](#) for the purpose of attracting or entertaining patrons. People purchase tickets for the chance to win prizes. The total value of the prizes for a session must not exceed \$5,000 and the prizes must not consist of money.

Progressive lottery – a game involving participants playing draws on various days over a set period specified in the rules. A common type of progressive lottery is a tipping competition. Unlike the lotteries described above, progressive lotteries may be conducted by anyone for any purpose, and while there is no prize limit, the amount of money payable as a prize must not exceed \$7,000. An authority is needed to conduct a progressive lottery if the total value of all the prizes exceeds \$30,000.

Mini number lottery (mini-Lotto) involves participants paying a small entry fee and selecting six numbers from an available 20. If the six numbers are drawn, then the participant wins.

Draw lottery – a game where people are sold numbered tickets and a draw is held where one or more numbers are randomly selected. The winner is the person who holds tickets matching the selected numbers.

Sweep and calcutta – a sweep involves a person purchasing a ticket for a chance to win an allotment against a competitor. Sweeps are commonly used for sporting events such as the Melbourne Cup. Each participant is drawn a horse in the race and the winner (or winners) of the sweepstake is determined by the result of the event. A calcutta is similar to a sweep except once the draw is completed, there is an auction where all ticket holders can bid for the chance to win an allotment against a competitor in an event and the allotments are auctioned. The holder of the allotment may elect to sell the right and receive 50% of the proceeds of the sale or to retain the right by making the highest bid and paying 50% of that bid. If the value of the prizes exceeds \$30,000 then an authority is required for a sweep or calcutta.

Art union – a type of lottery where the winners are chosen through a ticket draw. A lottery is considered an art union if the prize pool exceeds \$30,000.

Trade promotion lottery – a game where an organisation (business, community or charitable organisation) promotes its products or services or purpose by offering prizes to winners selected by an element of chance (like a random draw).



More information

For more information about any NSW Government requirements referred to in this fact sheet, see the [NSW Fair Trading website](#).



More information

This fact sheet covers raffles and trade promotion lotteries only. Please refer to [our fundraising webpage](#) for further information about fundraising requirements in NSW.



What is a raffle?

In NSW a raffle is a lottery where people buy numbered tickets for a chance to win the prizes offered in the raffle.

If the prize pool is less than \$30,000, the raffle is classified as a 'draw lottery'.

If the prize pool is \$30,000 or more, the raffle is classified as an 'art union gaming activity'.



Note

Raffles in NSW can only be conducted to raise funds for, or on behalf of, a charity or not-for-profit organisation.



Note

This fact sheet doesn't cover promotional raffles conducted by registered clubs that hold a licence under the [Liquor Act 2007 \(NSW\)](#). These types of raffles may only be held for the purpose of attracting or entertaining patrons.

When is a permit required for a raffle?

A raffle can only be conducted in NSW to raise funds for, or on behalf of, a not-for-profit or charitable organisation.

Draw lottery

A raffle will be classified as a draw lottery if the total value of all prizes is not more than \$30,000. A minimum of 40% of the gross proceeds of the raffle must be paid to the benefiting charity or non-profit organisation.

A permit is **not** required to conduct a draw lottery raffle in NSW.

Art union gaming activity

A raffle will be classified as an art union gaming activity if the winners of the raffle are chosen through a ticket draw and the prize pool is more than \$30,000.

The raffle can only be conducted to raise funds for non-profit organisations such as:

- charities
- sporting clubs
- social clubs
- registered clubs
- political parties
- trade unions, or
- incorporated associations

The organisation conducting the raffle must have written authorisation from the not-for-profit organisation to raise funds on its behalf and a minimum of 30% of the gross proceeds of the raffle must be paid to the non-profit organisation.

A permit **is** required to conduct all raffles that are classified as art union gaming activities.

To apply for a permit, the raffle operator must:

- obtain an authority from [NSW Fair Trading](#) (you can apply for an authority for one, three or five year's duration), and then
- notify and provide a copy of the raffle rules to NSW Fair Trading at least 10 working days before the raffle takes place.

A raffle can't start until notification is given through the notification form available on the [NSW Fair Trading website](#).

What conditions apply to holding a raffle?

A raffle should be conducted in a manner that is considered fair and impartial.

The raffle should be open to anyone who wishes to enter (subject to the terms and conditions of the raffle), however individuals conducting the raffle (including those involved in determining the prize winner or individuals involved in the management of any benefiting organisation) can't enter the raffle. Children can participate unless the rules of the raffle imposes an age limit.

Under the Gaming Laws, a person who conducts a raffle on behalf of another person is also subject to the requirements as set out in this fact sheet.

Rules of the raffle

The person or body conducting a raffle must take all reasonable steps to ensure that the rules governing the raffle:

- are clearly expressed and kept up to date
- set out the date when entry is closed for participation
- set out whether participants may enter more than once
- set out the prizes to be awarded and the value of each prize
- set out any costs of, or associated with, claiming a prize
- set out whether a participant may win more than one prize and any limits on the number of prizes a participant may win
- set out any age limit for participants
- set out whether bonus prizes may be awarded
- set out the manner in which disputes concerning the conduct of the gaming activity or claiming the prize are to be resolved
- identify the person conducting the raffle and the benefiting organisation
- if applicable, set out:
 - the manner of determining, notifying and announcing the prize winners and the dates and times at which these will take place

- the period for claiming a prize, and
- the circumstances in which a redetermination of prize winners may occur
- if applicable, require that, if there is no prize winner or the prize winner cannot be found, that information must be published

A person or body who conducts the raffle must comply with the rules of the raffle

Drawing the raffle

A person who has agreed to sell tickets in a draw lottery must, before the draw, return to the organisation conducting the raffle:

- all ticket-butts relating to the tickets sold by the person,
- all money received from the sale of the tickets, and
- all unsold tickets held by the person

In all raffles:

- all valid tickets or entries must be included in the draw, and
- the method of the draw must allow each ticket in the draw a random and equal chance of being drawn

The person or body conducting the raffle must take all reasonable steps to ensure that, if there is a change in the way in which the raffle is conducted, including when the draw for prizes takes place, information about the change is notified to participants or made publically available within a reasonable time before the activity or draw takes place.

Raffle proceeds

All proceeds to the raffle must be deposited into an account at an authorised deposit-taking institution no later than two business days after the money is received.

Advertising the raffle

Any advertising of the raffle must not:

- be misleading or deceptive
- depict children participating in a raffle activity
- suggest that winning or any improvement in financial prospects will be a definite outcome of participating in the raffle, or
- encourage a breach of the law

The Gaming Laws provide for a fine of up to \$550 for failure to comply with these requirements.



Note

If a raffle is conducted for the benefit of a not-for-profit organisation which is also a 'charity' (as defined in the *Charitable Fundraising Act 1991 (NSW)*), the charity must obtain an authority under, and comply with the requirements of, this act.



More information

See our [guide to fundraising for NSW organisations](#) for more information.

What are the requirements for raffle tickets?

NSW Fair Trading advises that raffle tickets should include:

- the price
- name of the person or organisation conducting the gaming activity
- name of the benefiting organisation, and
- the authority number (if applicable)

What are the requirements for raffle prizes?

The following items may **not** be offered as prizes in any raffle in NSW:

- tobacco, smoking or vaping products (as defined in the *Public Health (Tobacco) Act 2008*)
- the provision of cosmetic surgery or other substances to which Division 1A of Part 3 of the *Poisons and Therapeutic Goods Act 1996* applies
- firearms, ammunition or an imitation firearm within the meaning of the *Firearms Act 1996*
- prohibited weapons within the meaning of the *Weapon Prohibition Act 1998*, or
- any other prize that, if offered, contravenes any other NSW or Commonwealth Law (for example, the *Charitable Fundraising Act 1991* and the *Gaming Machines Act 2001*)

For any raffles where liquor is a prize, tickets can't be sold to or by any person under 18 years of age. The liquor component of all the prizes must not exceed:

- 20 litres of liquor with an alcohol content not exceeding 20% by volume, or
- more than five litres of liquor with an alcohol content exceeding 20% by volume

All prizes must be preserved carefully until the prize winners have taken possession of the prizes, and the prize winners must only receive the prize they have won.

If the prize is money exceeding \$5,000, any amount that exceeds \$5,000 must be paid by electronic funds transfer or in a manner that is agreed between the prize winner and the person paying the prize.

Unclaimed prizes

A prize is taken to be unclaimed if the person or body conducting the raffle can't, after making all reasonable inquiries, award the prize to the prize winner because the prize winner can't be located or because of other special circumstances.

For raffles classified as **art unions** – the prize winner may be re-drawn in the time specified in the raffle rules or, if no time is specified, at least three months after the prize winner was previously determined.

Any unclaimed prize that is perishable may be sold or otherwise disposed of by or on behalf of the person or body conducting the raffle.

What records must be kept for a raffle?

If the raffle is a **draw lottery**, the person or body conducting the raffle must keep appropriate records (which may include the records listed below) for a period the person or body thinks fit.

If a raffle is an **art union gaming activity**, the person or body conducting the raffle is required to keep a record of:

- all expenses incurred
- the date on or period during which the gaming activity was conducted
- the date on which prize winners were determined and announced
- prizes and total prize value offered
- gross proceeds
- proceeds paid to the benefiting organisation (if applicable) and the ratio of those proceeds to the gross proceeds received, expressed as a percentage, and
- if practicable, the names and contact details of prize winners and prizes won,

for a period of at least seven years after the raffle ends.

For **all raffles**, if the annual gross proceeds of a raffle exceed \$250,000, accounts must be audited by a qualified auditor. This includes accounts related to receipts and expenses.

What other legal obligations do you have if you conduct a raffle?

For **draw lotteries** – not-for-profits benefiting from the raffle must receive 40% or more of the gross proceeds from the raffle. This means expenses can't exceed 60% of the total proceeds.

For **art union gaming activities** – not-for-profits benefiting from the raffle must receive 30% or more of the gross proceeds from the raffle.

Unless participation is free, the person or body conducting the raffle may incur reasonable expenses for:

- the cost of producing or obtaining the tickets or cards
- advertising and promotion
- hiring or operating a device, or premises
- the cost of prizes, and prize money
- salaries, wages and commission paid to persons assisting in the conduct of the raffle
- auditing accounts relating to the raffle, or
- other amounts that, under an authority, a person or organisation is permitted to deduct from money received in connection with the raffle

Remuneration or a commission can be paid to third-party raffle organisers in the limited circumstances set out below.

If the benefiting not-for-profit organisation receives less than the required percentage of the gross proceeds from the raffle, the raffle organiser must notify NSW Fair Trading and seek its approval to pay the reduced sum to the benefiting not-for-profit organisation. The application must explain the unusual circumstances that resulted in the outcome.

Can someone run a raffle on behalf of a community organisation?

A person or organisation can only run a raffle on behalf of your community organisation if the governing body of your organisation (for example, the committee of management or board of directors) gives them written consent to do so.

Your organisation should make sure that the person or organisation that runs a raffle on its behalf will do so properly.

Remuneration or a commission can be paid to third-party raffle organisers for **art union gaming activity raffles** if:

- it's in relation to services rendered in connection with the raffle, and
- there is a written agreement in place between your organisation and the third-party organiser which specifies the terms of service



Caution

When using a third party to run your raffle, make sure that the total costs of running the raffle don't exceed:

- 60% of the total proceeds of the raffle for **draw lotteries**, or
- 70% of the total proceeds of the raffle for **art union gaming activities**

How are raffle ticket sales treated for tax purposes?

Income tax

If your organisation is exempt from paying income tax it will be exempt from paying income tax on proceeds it receives from a raffle.

Goods and services tax (GST)

If your community organisation has been specifically endorsed by the ATO as a tax concession charity (**TCC**) or a deductible gift recipient (**DGR**), it will not be required to pay GST on the price of raffle tickets sold. If your organisation is not endorsed as a TCC or DGR, whether it is required to pay GST will depend on whether the organisation is registered, or required to be registered, for GST.



Note

The cost of buying a raffle ticket is not tax deductible for a person even if the organisation running the raffle is endorsed as a deductible gift recipient. Your community organisation should not issue tax deductible receipts or represent or imply that the cost of raffle tickets is tax deductible.



More information

If the organisation is not exempt from income tax, raffle sales will generally be included as assessable income for the purposes of income tax, although there may be some deductions available. For more information, see [the ATO's guide to gifts and fundraising](#) or seek specific legal or accounting advice.

For more information about whether your organisation is exempt from paying income tax see our webpages on [getting started](#) and [tax](#).

For more information on TCC, DGR and GST see our webpage on [tax](#).



What is a gratuitous lottery?

A gratuitous lottery is a free entry lottery or game of chance that is not run for the purpose of promoting any particular trade or business and where the process of choosing a winner includes an element of chance.

Provided certain legal conditions are satisfied, **no authority** is required for a gratuitous lottery.

Requirements for gratuitous lotteries

- The lottery must not be used to promote any trade or business.
- There must not be an entry or participation fee to enter.
(But note, entry may be gained by attending an event or participating in an activity, for example, answering a survey, purchasing a ticket to a charity function, or making a donation to a not-for-profit organisation).
- The total value of prizes must not exceed \$30,000.
- The following types of prizes are prohibited:
 - money (including cheques or similar)

- a tobacco, smoking or vaping product
- prohibited weapons, firearms and ammunition
- cosmetic surgery and similar procedures, and
- for prizes containing alcohol, no more than 20 litres of liquor with an alcohol content not exceeding 20% by volume, or no more than 5 litres of liquor with an alcohol content exceeding 20% by volume (and no persons under the age of 18 may be eligible to win, or may collect or give out liquor prizes)
- Any prizes unclaimed for three months should be sold, with the proceeds paid into the fund for which the organisation was formed or to the institution in aid of which the lottery was conducted.
- No less than 40% of the gross proceeds must be paid into the funds of the benefiting organisation.
- Though there are no record keeping requirements for trade promotion lotteries, maintaining records is recommended.
- If conducted wholly or partly for the purposes of raising funds for a charitable or non-profit organisation, the lottery must be authorised in writing by the benefiting organisation (note, this applies for all gaming activities under the Gaming Laws).



What is a trade promotion lottery?

A trade promotion lottery occurs when an organisation, whether it's a business, community or charitable organisation, promotes its products or services or purpose by offering prizes to winners selected by an element of chance (like a random draw).

A trade promotion lottery is a class of gaming activity. It's different from a gratuitous lottery in that it promotes a trade, business, or a good or service supplied. There is still a requirement that no entry or related fees be charged, however, entry may be conditional on purchasing goods or services at their normal retail value (for example, where proof of purchase is required).



Examples of trade promotion lotteries include:

- drawing a winner from a barrel or 'instant win' competitions
- spinning wheels
- purchase-to-enter competitions
- 'scratch and win' cards
- prize pool sweepstakes
- 1900 telephone calls, and
- footy tipping competitions

What are the requirements to conduct a trade promotion lottery?

In NSW, a not-for-profit organisation requires **an authority** to conduct a trade promotion lottery (including a members' sweep) if the total prize value for a single trade promotion exceeds \$10,000.

Authority from NSW Fair Trading

An individual or organisation may apply for an authority.

An authority can be issued for a selected period of one, three or five years and allows for multiple promotions to be run under a single authority.

The rules

If an authority is required, the operator of the lottery must provide a copy of the rules to NSW Fair Trading at least 10 working days before the proposed promotion takes place. The lottery must not start until

notification is given through this [NSW Government portal](#) and the rules must be in the template [available on the NSW Fair Trading website](#).

The trade promotion lottery must be conducted in accordance with the rules.

Entry fee

There must not be a purchase price or fee to enter.

Prize requirements

There is no maximum prize limit for trade promotions.

The following prize requirements must be complied with:

- any spending money awarded in conjunction with a travel prize must not exceed 20% of the total value of the prize
- any prize must not contain:
 - a tobacco, smoking or vaping product
 - prohibited weapons, firearms, imitation firearms and ammunition
 - cosmetic surgery or similar procedures, or
 - any other prize that contravenes any other law, for example the *Charitable Fundraising Act 1991* (NSW) and *Gaming Machines Act 2001* (NSW)
- for prizes containing alcohol, the liquor component must not exceed 20 litres of liquor with an alcohol content not exceeding 20% by volume, or 5 litres of liquor with an alcohol content exceeding 20% by volume and
- no persons under the age of 18 may be eligible to win, or may collect or give out a liquor prize

Where the total value of prizes is greater than \$10,000, the draw and subsequent announcement of any prize winners must be scrutinised by an independent person.

Where prize money payable to a person exceeds \$5,000, it must be paid by electronic funds transfer or as otherwise agreed (other than in cash).

The rules should outline how to deal with an unclaimed prize.

Proceeds

You must deposit proceeds from your gaming activity into an account at an authorised deposit-taking institution no later than two business days after the money is received

Record keeping

Although there are no record keeping requirements for trade promotion lotteries, maintaining records is recommended.

As is the case for gratuitous lotteries, the Lotteries Law requires that lotteries conducted wholly or partly for the purposes of raising funds for a charitable or non-profit organisation be authorised in writing by the benefiting organisation.



More information

If the total prize value of any individual trade promotion exceeds \$10,000, the application for an authority can be made online on the [NSW Government onegov website](#).

The application fee for an authority depends on the length of the authority you are applying for. See the application fees on the [NSW Fair Trading website](#). Authority applications take up to 25 working days to be processed, and no marketing activities should start until the relevant authority has been received.



More information

If your trade lottery is a no-draw lottery, additional requirements may apply. See the [NSW Fair Trading website](#) for more information.



Tip

NSW Fair Trading has a quick and easy [online community gaming check](#) which determines whether you can conduct your gaming activity. Simply select the appropriate details of the gaming activity that you wish to conduct, and you will be told whether you can run the gaming activity and whether you need an authority.

Changes to community gaming rules

Rules (except those set down in the Gaming Laws) can only be changed by application to and with approval from NSW Fair Trading. If there are any changes, all reasonable steps must be taken to notify the participants or make the information publicly available within a reasonable time before the activity takes place. Such approval will only be granted where changes to the conditions will not disadvantage existing entrants to the trade promotion lottery. For example, NSW Fair Trading needs to approve a change to the date on which prize winners are to be determined. To obtain NSW Fair Trading approval for a substantial change to the rules, the '[Changes to Gaming Activity notification form](#)' must be submitted.

Games of chance in certain registered clubs

The Gaming Laws allow for certain games of chance to be conducted by registered clubs. These are clubs that hold a licence under the *Liquor Act 2007 (NSW)* to sell liquor on their premises to members and guests of the club.

These games don't require an authority as long as the following requirements are met:

- at least 90% of the gross proceeds must be used to cover the cost of the prizes
- the game is conducted for the purpose of attracting or entertaining patrons
- the total value of all the prizes for a session does not exceed \$5,000, and
- none of the prizes consist of or include money

Clubs conducting such games must keep records of income and expenditure relating to the games, and other documents in relation to prize drawings.



More information

NSW Fair Trading's website has information on [Promotional Raffles in Registered Clubs](#).

Awarding prizes under the Gaming Laws

All gaming activities governed by the Gaming Laws require an organisation that conducts a lottery to award the winner of each prize with the prize specified, unless:

- the prize-winner consents to receiving an alternative prize of similar value, or
- after making all reasonable enquiries, the prize-winner can't be located

When advertising and awarding prizes as part of any lottery or game of chance, not-for-profit organisations should be aware of their obligations under the Australian Consumer Law (**ACL**).

This requires organisations to fulfil promises they have made to give gifts, prizes or other free items made in connection with the promotion of goods and services. In order to comply with this provision, an organisation should ensure that when it offers or advertises a particular prize for a competition, it intends to honour the offer and award the prize as advertised. An organisation must be able to show that it had the genuine intention of providing the prize as advertised and took reasonable precautions and exercised due diligence to ensure that it would be in a position to do so.



More information

For more information about the ACL, see [our guide on the laws of advertising and your community organisation](#).

Marketing for games of chance under the Gaming Laws

The Gaming Laws also specifically prohibit misleading and deceptive conduct in advertising lottery activities.

Such advertising must not:

- encourage a breach of the law
- depict children engaged in lottery activities
- raise any expectations of winning or improving a person's financial prospects, or
- generally violate good taste and decency

For a trade promotion lottery, any materials made available to the public such as advertisements, coupons or tickets should also show the relevant permit number.

Any terms and conditions should be easily accessible to the public, and if possible posted online. If any purchase is a condition for entry, the terms and conditions must be accessible prior to such a purchase being made (for example, they must not be on the inside of some packaging that is only accessible after a purchase).

Games of chance vs games of skill

If a game contains a random selection of entrants at any point in the activity, it's considered to have an element of chance and is considered a 'lottery'.

A 'game of skill' is one in which there is no element of chance at any point in the game or competition.

As a general guide, 'games of skill' are competitions or processes that determine a winner by requiring a participant to submit something or answer a question in order to win or be selected for a prize. The winner is usually selected by a judge or panel of judges.

If a promotion is a 'game of skill' then it's not a lottery or game of chance, and no authority is required.



Example

An example of a 'game of skill' is an essay writing competition such as 'In 100 words or less, tell us why you consider...'.

Other examples of 'games of skill' are trivia nights and skills-based competitions, such as art or talent competitions.

While an organisation doesn't need to obtain a permit to conduct a promotion that is a 'game of skill', the organisation still needs to take care to:

- make any rules, conditions of entry, and the details of any judging process clear to the public
- ensure that the 'game' or test of 'skill' for the promotion is one that is a true test of skill so that participants can't potentially enter the same answer, and
- judge all entries individually on their merit and select the winner based on merit



Caution

Care should be taken to ensure that the 'game' or test of 'skill' for the promotion is one that is a true test of skill so that participants can't potentially enter the same answer.

For example – a question that participants could give the same answer to is a factual question such as 'Who is the prime minister of Australia?'

If any prize is given after a draw from the participants who had provided the correct answer to the factual question, that would be a game of chance and therefore subject to the laws applying to games of chance.

Online games of chance

If you plan to conduct a trade promotion lottery or other game of chance online using social media (such as Facebook, Twitter, YouTube), you must comply with the social media website's promotions guidelines in addition to the relevant state and territory authority requirements (see below).

You will need to carefully check the social media website's promotions guidelines as they may contain specific requirements on:

- how you can conduct your trade promotion lottery
- how your trade promotion lottery is associated with the social media organisation, or
- disclosing certain information to, or obtaining information from, entrants



Note

Websites such as social media platforms sometimes have their own guidelines for trade promotions and other games of chance. Remember to consider them before conducting a game of chance using their site. For more information go to [our webpage on social media](#).



Facebook guidelines

Facebook has guidelines that must be followed if conducting a trade promotion lottery or other game of chance using its website.

When using Facebook as a promotional tool, **you must**:

- ensure your trade promotion lottery is lawful
- include an acknowledgement that the promotion is not sponsored, endorsed or administered by, or associated with, Facebook
- include a release of liability for Facebook for each entrant or participant, and
- let entrants or participants know that they are disclosing information to you and not to Facebook

The Facebook promotions guidelines also prohibit certain activities in conducting your promotion. You **must not**:

- make entry or registration to the promotion conditional on taking any action other than liking a Page, checking in to a Place, or connecting to the app (for example, you can't require a person to post a photo on the Page wall)
- use Facebook's features or functionality as a registration or entry mechanism. For example, the act of liking a Page or checking in to a Place can't automatically register or enter a promotion participant, or
- use Facebook's trade marks, trade names, copyrights or other intellectual property in connection with the promotion

Unless you follow Facebook's guidelines, you run the risk of Facebook removing your advertisement, disabling your account, or both. For a full list see [Facebook's Pages, Groups and Events Policies](#).

Nationwide games of chance

This fact sheet focuses on the laws in New South Wales, but it's important to remember that each state and territory has different laws and different bodies that control raffles and trade promotion lotteries.

If you plan to conduct a raffle, trade promotion lottery or other game of chance where entrants can enter from different states or territories (for example, an online trade promotion lottery), you will need to conduct that trade promotion lottery in accordance with the relevant laws for each state and territory.

Trade promotion lottery checklists

The following is an initial checklist when contemplating conducting a trade promotion lottery. It's not an exhaustive list, but can be used by a not-for-profit organisation as a guide to the key considerations when conducting a trade promotion lottery.

Checklist for your trade promotion lottery

- ☐ Does the allocation of prizes involve an element of chance? Is it a free entry lottery conducted to promote goods or services supplied by a business?
- ☐ If it is a trade promotion lottery where the total prize value for a single trade promotion exceeds \$10,000, has your organisation obtained an authority to conduct the lottery? Is the organisation capable of complying with all of the trade promotion lottery requirements above?
- ☐ Is the promotion to be conducted wholly in New South Wales or could it involve participants entering from outside of New South Wales? If it involves participants from outside of New South Wales, other state and territory gambling laws may apply and you should consider if additional authorities are required.
- ☐ Will the promotion be advertised or run online or via a social media website? Gambling laws of all states and territories may apply if anyone in Australia can participate. Also consider whether any specific rules of the relevant website might apply to your promotion.
- ☐ Have you included the minimum details in the terms and conditions (see the 'terms and conditions checklist' below)?

Checklist – terms and conditions of a trade promotion lottery include:

- ☐ contact details of the organisation running the trade promotion lottery
- ☐ the conditions of entry (for example, if a particular product must be purchased or donation made in order to be eligible for entry and any age restrictions)
- ☐ the closing date and time for receipt of entries to the lottery
- ☐ details of prizes and prize value
- ☐ details of how the entries will be judged and prizes will be awarded including the date and time that the winner will be determined – noting that there are specific requirements relating to how prizes may be drawn to ensure that each entry has a fair and equal chance of winning
- ☐ how prize winners will be notified and where the results of the lottery will be published
- ☐ how winners may claim prizes
- ☐ additional information must be included in relation to certain prizes such as motor vehicles (make, model, accessories, value of any on-road costs included) and travel based prizes (details of inclusions such as air fares, transfers, accommodation, meals, spending money, and required travel dates) and
- ☐ terms and conditions must be advertised or otherwise made available on a website or on another publicly accessible location from the start of the trade promotion