

Q. Are there any limits for the value of raffle prizes offered, or prices of raffle tickets to be sold?

A. For each raffle event, the fair market value of all prizes offered cannot exceed \$250,000.00. Furthermore, the fair market value of a single raffle prize cannot exceed \$40,000.00. The purchase price of a raffle ticket may not exceed \$300.00.



Q. Are casino nights still illegal?

A. Casino nights remain illegal unless the event is conducted for entertainment only, and no prizes, financial rewards or incentives are offered to the players.

Q. Can a for-profit business hold a raffle?

A. Only nonprofit organizations are permitted to conduct raffles for charitable purposes. A for-profit business may offer a chance to win a prize as long as the business complies with South Carolina's Prizes and Gifts Act (S.C. Code §37-15-10 et. seq.), but only qualified nonprofit organizations can hold charitable raffles.



Additional Questions?

If you have other questions or need more information about raffles and raffle filing requirements, please contact the Secretary of State's Division of Public Charities.

Division of Public Charities

Phone: (803) 734-2170

Toll-free: 1-888-242-7484

Email: charities@sos.sc.gov

Web: www.sos.sc.gov



NONPROFIT RAFFLES

Legal Requirements in South Carolina



Secretary of State Mark Hammond
1205 Pendleton Street, Suite 525
Columbia, SC 29201



In 2015, nonprofit raffles became legal in South Carolina. However, a nonprofit organization must meet certain legal requirements in order to conduct raffles. Here are some frequently asked questions regarding charitable raffles in our state.

Q. Which nonprofit organizations are legally permitted to hold raffles in South Carolina?

A. In order to conduct a raffle, a nonprofit organization must meet ALL three of the of the following criteria:

- (1) The nonprofit must be either tax-exempt under IRS Code Section 501(c)3, 501(c)(4), 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), 501(c)(19), or 501(d); or a class, department, or organization of an educational institution;
- (2) The nonprofit must be operated for a charitable purpose; and
- (3) The nonprofit must be registered to solicit charitable donations in South Carolina pursuant to the Solicitation of Charitable Funds Act, or excluded from the Act’s registration requirements.

Q. My nonprofit organization is qualified to conduct raffles. What do I need to file with the Secretary of State’s Office?

A. Unless your nonprofit conducts only “exempt” raffles, it must file an annual raffle registration form with the Secretary of State. The filing fee for the raffle registration form is \$50.00. In addition, your nonprofit must file an annual raffle financial report 4 ½ months after the end of its fiscal year. The annual raffle registration form and annual raffle financial report are separate from the registration statement and annual financial report filings required of charities under the Solicitation of Charitable Funds Act.

Nonprofits may file their raffle registration forms and raffle financial reports online at www.sos.sc.gov.

Q. My church wants to hold a raffle. Does it need to register?

A. Churches and other houses of worship are required to file an annual raffle registration form if they conduct raffles other than “exempt” raffles. Because they are excluded from the filing requirements of the Solicitation of Charitable Funds Act, they do not have to register separately as charitable organizations.

Q. What is an “exempt” raffle?

A. Nonprofits may conduct exempt raffles without having to file an annual raffle registration form, provided they are legally qualified to conduct raffles. The two types of exempt raffles are:

- (1) Raffles in which a noncash prize or prizes have been donated to the nonprofit organization, and the total value of the prize or prizes of a single raffle event is not more than **\$950.00**; and
- (2) Fifty-fifty raffles in which the total value of the proceeds collected is not more than **\$950.00**, and raffle tickets are sold ONLY to the nonprofit organization’s members or its guests, and not to the general public.

If your raffle does not meet either of these criteria, then you MUST file a raffle registration form and an annual raffle financial report.

Q. Is there a limit to how many raffles a nonprofit organization can have?

A. Nonprofit organizations may conduct only one exempt raffle a week and four nonexempt raffles a year.