

## **Forthcoming exempt lottery relaxations**

Currently, under the Gambling Act 2005, restrictions are imposed on organisers of incidental non-commercial lotteries, private society lotteries and work and residents' lotteries on the places they can hold fundraising events and the causes to which they can apply the proceeds.

The current law restricts incidental lotteries to non-commercial events and all monies raised at the event by the organisers (including entrance fees, food and drink sales, sponsorship etc) must go to the purpose for which the lottery is being held i.e. the organisers of the lottery cannot retain non-lottery profits.

In reality, this operates as a disincentive for pubs, clubs, event and concert organisers and other commercial businesses holding a raffle for charity or good causes because they would also need to pass on any other revenue collected during the course of the event to the good cause.

The current law also requires that a private society lottery benefits only the cause for which the society is conducted. Similarly, at present, work and residents' lotteries may not be promoted to raise funds for good causes. All the proceeds of a lottery must be used for prizes and/or the expenses of the lottery, leaving no profits.

The Legislative Reform (Exempt Lotteries) Order 2016, that is due to come into force on 6 April 2016, will – if approved – amend Schedule 11 of the Gambling Act 2005 and allow business, organisations and individuals the ability to donate through all such above-mentioned lotteries to the charity of their choice, allowing charities to maximise their fundraising efforts.

In addition, the existing requirement that the results of incidental non-commercial lotteries must be announced during the event will be abolished, as too will be the requirement for work and residents' lottery tickets to display the name and address of the promoter.

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