



Queensland Government

Treasury

Charitable and Non-Profit Gaming Act 1999

Your Guide to

CATEGORY 1

Games

**UP TO \$2 000 GROSS PROCEEDS
(TOTAL TICKET SALES)**

Queensland Office of
Gaming Regulation

The *Charitable and Non-Profit Gaming Act 1999* provides for category 1 games.

What is a Game?

A "**game**" is a game, scheme or arrangement offering prizes, whether or not tickets are sold or distributed, in which the winners are decided:

- (a) entirely or partly by chance; or
- (b) by a competition or other activity having an outcome depending on chance, for example, a guessing competition.

Examples of "category one games":

1. An art union
2. Bingo
3. Calcutta Sweep

What is a Category 1 Game?

A "**category 1 game**" is a game in which:

- (a) for bingo - the gross proceeds of all games in the bingo session are not more than \$2 000: or
- (b) for other games - the gross proceeds of which are not more than \$2 000.

Who Can Conduct a Category 1 Game?

An association or individual may conduct a category 1 game.

However, an individual may conduct a category 1 game if:

- (a) the individual does not derive a personal gain from conducting the game; and
- (b) all proceeds of the game, or goods representing the value of the proceeds, are returned to the players as prizes.

What is an Association?

An association is a group of at least four persons, whether or not incorporated, formed for a common purpose that is not likely to harm:

- (a) the integrity of general gaming; or
- (b) public confidence and trust in buying gaming tickets as a worthwhile way of supporting fundraising activities by persons for charitable and non-profit purposes.

Do I Need a Licence or Permit to Conduct a Category 1 Game?

No

What is an Art Union?

An "**art union**" is a game other than bingo, calcutta sweep, lucky envelopes and a promotional game.

Examples of "art unions":

1. Raffles (Meat Trays, Chook Trays, other small raffles)
2. Silver Circles
3. Sweeps, normally conducted on Melbourne Cup (other than Calcutta Sweeps)
4. Chocolate Wheels (conducted at School Fetes etc.)
5. Punchboards
6. Football Doubles
7. Lucky Dips
8. Cent Auctions
9. Lucky Door Prizes
10. Guessing Game Competition (guess the weight of the bull etc.)

Length of Time for Conducting Category 1 Art Unions

A category 1 art union **must** be drawn not more than four months after the day tickets in the art union start to be sold.

A category 1 art union dependent upon an event or a series of events **must** be drawn:

- (a) for an art union dependent upon an event - within one month of the event; or
- (b) for an art union dependent upon a series of events - within one month of the last event in the series.

Prohibited Prizes

Prohibited prizes in a category 1 art union are:

- more than \$10 000 in cash;
- surgery;
- a tobacco product;
- a weapon or ammunition;
- any other item the sale or acquisition of which is restricted by legislation of the State or Commonwealth
- a ticket or other chance in a game that is not approved under a gaming Act.

Also, for a game other than a promotional game, alcohol must not be offered as a prize unless the alcohol has a retail value of \$1,000 or less.

Participation by Minors

An association/individual involved in the conduct of a category 1 art union must not sell a ticket in an art union to a minor if a prize for the art union includes alcohol or a gaming product.

"Gaming product" means—

- (a) a voucher or other acknowledgement for playing—
 - (i) a game under the *Casino Control Act 1982* or
 - (ii) a gaming machine under the *Gaming Machine Act 1991* or
 - (iii) an approved keno game under the *Keno Act 1996* or

- (b) a ticket in a game of lucky envelopes or a promotional game that is scratched to reveal numbers, letters or symbols that may entitle the player of the game to a prize or
- (c) a lottery ticket under the *Lotteries Act 1997* or
- (d) a ticket or other acknowledgement for a bet under the *Wagering Act 1998*.

Prize Value

The total value of prizes must be at least 20% of the estimated gross proceeds of the art union.

Are There Any Prescribed Percentages for Expenses or Net Profit ?

No. However, the amount of estimated gross proceeds of an art union that may be paid towards the cost of conducting the art union, other than the cost of prizes, must be reasonable in relation to:

- (a) the estimated gross proceeds of the art union; and
- (b) the nature of the art union

Ticket Requirements

A "ticket" means a document or thing that evidences, or is intended to evidence, a person's right to participate in the category 1 art union.

All tickets in a category 1 art union must be sold at the same price.

However, tickets may be sold as a bundle (eg. one for \$1.00 or three for \$2.00). If bundled tickets can be purchased at the time of sale, then the same discount for bundled tickets must be offered to all ticket buyers.

A ticket may only be issued to an entrant if the entrant has paid the correct price for the ticket.

Tickets must not be sold after the closing of the art union.

However, if the art union has a series of draws over a period of time, a ticket may be issued if the player has paid the amount that is sufficient to be entitled to be entered in the next draw for the art union.

Tickets must not be sent or delivered to a person unless:

- (a) the person has paid for the ticket before it is sent or delivered; or**
- (b) the person is the association's agent or ticket seller.**

Each ticket in a category 1 art union must be numbered consecutively and, if more than 1 series of tickets is to be used for the same draw, each series of tickets must be identifiable by colour or other distinguishable characteristics.

If more than one category 1 art union is being drawn on the same day the tickets in each draw must be identifiable by colour, series or other distinguishable characteristics.

If a category 1 art union is not conducted and drawn on the same day, the tickets for the art union must:

- have the name and either the address or telephone number of the entrant legibly written on the ticket butt, or legibly recorded in another way that enables each prize winner to be identified; and
- for a guessing game competition, have the name and either the address or telephone number of the entrant legibly recorded in a way that enables each prize winner to be identified.

Ineligibility to Enter

A person is not eligible to enter a category 1 art union if the person is directly engaged in conducting the draw.

Drawing of Art Union

Each person who buys a ticket in a category 1 art union must have a fair and equal chance of winning the major prize in the art union at the time of drawing of the art union.

Usually, a marble draw is used to determine the winner. However, if using ticket butts, every sold ticket butt must be included in the draw.

Where an electronic raffle drawing machine is being used it must be ensured that the full range of tickets sold are covered by the draw (i.e. all tickets from lowest sold to highest sold are included). If an unsold ticket number is drawn, another ticket number must be drawn to determine the prize winner.

If an electronic device is used, the association/individual conducting the category 1 art union needs to ensure that the winners are selected at random thereby allowing all ticket holders a fair and equal chance of winning.

Order in Which Prizes to be Drawn

If more than 1 prize is being offered in a category 1 art union, the major prize must be drawn first and the other prizes then drawn in descending order of number and value.

However, prizes may be drawn in an alternate order provided that the alternate order is clearly advertised at the time tickets in the art union are sold. If a minor prize is drawn before the major prize the ticket held by the winner of the minor prize must be returned to the pool and be eligible to win the major prize.

Delivery of Prizes

For a category 1 art union the association/individual conducting the art union must deliver the prizes to the winners of the art union within 1 month after winners are decided.

The above does not apply if:

- the prize winner agrees in writing that the prize may be delivered more than 1 month after the winners are decided; or
- after making all reasonable efforts, the person conducting the art union can not locate the prize winner.

Substitution of Prizes

Another prize may be substituted for a prize offered in a category 1 art union only if:

- the association/individual conducting the art union and the prize winner have agreed in writing to the prize being substituted; and
- the substituted prize is similar to and of the same or greater value than the original prize .

Locating Prize Winners

An association/individual conducting a category 1 art union must make every reasonable effort to:

- locate the prize winners for the art union; and
- deliver the prizes to the winners.

Period for Which Unclaimed Prizes to be Kept

Prizes in a category 1 art union must be kept for a reasonable period after the prize winner is decided. If not claimed the prize must be drawn again.

Advertising Results

The results of a category 1 art union must be published in the way advertised by the association/individual conducting the art union when tickets for it are sold. If the association/individual has not provided information about the way in which the results will be published:

- prize winners must be given oral or written notice in person, within 28 days after the art union is drawn; and

- the results must be published or made available in an appropriate way.

Keeping Accounting Records

An association/individual conducting a category 1 art union must keep accounting records correctly recording and explaining the transactions for the art union.

Retention of Records

General gaming records shall be kept for a period of 5 years unless a shorter period is approved by the chief executive.

Lodgement of Returns

The chief executive **may, by written notice** to an association/individual, request a return to be lodged concerning the conduct of category 1 art unions.

The association/individual must give the return, in the approved form, within the time stated in the notice.

Audit

If the chief executive considers it necessary in the public interest, or for the proper conduct of general gaming, the chief executive may, by written notice, require an association/individual to have audited the financial records for category 1 art unions.

The association/individual must comply with the notice unless there is a reasonable excuse for not complying with it.

The association/individual must pay the cost of the audit.

What is Bingo?

"**Bingo**" is a game known as bingo, housie, or housie-housie, or a similar game, whatever called, in which:

- (a) each player is given a ticket with numbers, letters or symbols printed on it; and
- (b) the winner is decided by the player matching randomly selected numbers, letters or symbols to the numbers, letters or symbols on the player's ticket.

What is a Bingo Session?

"**Bingo session**" means the period in which the number of bingo games for the session, decided by the person conducting the session, are played.

There is no prescribed period for the conduct of a bingo session.

Prohibited Prizes

Prohibited prizes in a category 1 bingo game are:

- more than \$10 000 in cash;
- a tobacco product;
- a weapon or ammunition;
- any other item the sale or acquisition of which is restricted by legislation of the State or Commonwealth
- a ticket or other chance in a game that is not approved under a gaming act.

Also, for a game other than a promotional game, alcohol must not be offered as a prize unless the alcohol has a retail value of \$1,000 or less.

Are There Any Prescribed Percentages for Prizes?

The total value of prizes in a bingo session, other than jackpot prizes, must not be more than 75% of the gross proceeds of the session.

However, the above does not apply to a bingo session if:

- (a) all money received from the sale of tickets in the session is returned to players in the session in the form of prizes; and
- (b) the premises at which the bingo session is conducted are not premises that are, or part of which are, licensed premises under the *Liquor Act 1992*.

A jackpot prize in a bingo session may be paid only from funds set aside for that purpose from the proceeds of earlier bingo sessions and the current session.

However, for the first jackpot prize offered in a bingo session conducted by the association, the following amount may be used to start the jackpot prize pool - an amount of not more than \$1 000.

Are There any Prescribed Percentages for Expenses and Net Return?

No. However, the amount of estimated gross proceeds of a bingo session that may be paid towards the cost of conducting the bingo session, other than the cost of prizes, must be reasonable in relation to:

- (a) the estimated gross proceeds of the bingo session; and
- (b) the nature of the bingo session.

Participation by Minors

An association/individual involved in the conduct of a category 1 bingo game must not sell a ticket in a bingo game to a minor if a prize for the bingo game includes alcohol or a gaming product. See page 2 for the definition of a "gaming product".

Ticket Requirements

A "**ticket**" for bingo, means a document or thing that evidences, or is intended to evidence, a person's right to play a bingo game.

All tickets must be sold at the same price.

However, tickets may be sold as a bundle (e.g. one for \$1.00 or three for \$2.00). If bundled tickets can be purchased at the time of sale then the same discount for bundled tickets must be offered to all ticket buyers.

A ticket may only be sold to a player if the player has paid the correct price for the ticket.

Tickets in a category 1 bingo game must be numbered consecutively in each series.

Persons Ineligible to Enter a Category 1 Bingo Game

The following persons are not eligible to enter a category 1 bingo game:

- (a) a person directly engaged in the calling or drawing of the winning bingo numbers;
- (b) a person who acts as a spotter in the bingo game;
- (c) a member of the immediate family of a person mentioned in paragraph (a) or (b).

"**Immediate family**", for a person, means the person's spouse and family members residing at the same premises as the person.

Advertisements

An advertisement for a category 1 bingo game must include the following information for the bingo session:

- the time and date of the bingo session;
- the name of the association conducting the bingo session.

What prizes can be advertised?

All prizes including jackpot prizes may now be advertised.

Claiming a Prize

The winner of a prize in a category 1 bingo game is the person:

- who claims the prize; and
- whose ticket is checked by a spotter and found to have all the numbers that have been properly drawn and called and are necessary to win the prize;
- a person who claims a prize in a category 1 bingo game during a call-back of a ticket that is claimed as a winning ticket in the game must be recognised as a claimant of the prize;
- if there is more than one prize winner in a bingo game, the monetary value of the prize must be divided equally between the prize winners;
- a claim to a prize can not be recognised after the game is finished;
- a category 1 bingo game is finished when the last number of the last winning ticket of a claimant in the game has been called back.

Delivery of Prizes

An association/individual conducting a bingo game must deliver the prizes to the winners immediately after the winners are decided.

Retention of Records

General gaming records shall be kept for a period of 5 years unless a shorter period is approved by the chief executive.

Keeping Accounting Records

An association/individual conducting a category 1 bingo game must keep accounting records correctly recording and explaining the transactions for the bingo game.

Lodgement of Returns

The chief executive **may, by written notice** to an association/individual, request a return to be lodged concerning the conduct of category 1 bingo game.

The association/individual must give the return, in the approved form, within the time stated in the notice.

Audit

If the chief executive considers it necessary in the public interest, or for the proper conduct of general gaming, the chief executive **may, by written notice**, require an association/individual to have audited the financial records for a category 1 bingo game.

The association/individual must comply with the notice unless there is a reasonable excuse for not complying with it.

The association/individual must pay the cost of the audit.

What is a Calcutta Sweep?

A "**Calcutta Sweep**" is a game conducted on a horse race held at a racing venue, or an event approved by the chief executive, in which, before the race or event starts:

- (a) each player buys a ticket for a chance to be allocated, by lot, a participant in the race or event; and
- (b) an auction takes place at which anyone present, whether or not the person holds a ticket, is entitled to bid for each participant in the race or event.

The winners in a calcutta sweep are decided entirely or partly by chance, according to the result of the race or event.

Length of Time for Conducting Category 1 Calcutta Sweep

The result of the event in a category 1 calcutta sweep must be finalised within three calendar months of the day tickets for the calcutta sweep start to be sold.

Ticket Requirements

A "**ticket**" means a document or thing that evidences, or is intended to evidence, a person's right to participate in the category 1 calcutta sweep.

All tickets in a category 1 calcutta sweep must be sold at the same price.

However, tickets may be sold as a bundle (e.g. one for \$1.00 or three for \$2.00). If bundled tickets can be purchased at the time of sale then the same discount for bundled tickets must be offered to all ticket buyers.

A ticket may only be issued to a player if the player has paid the correct price for the ticket.

Tickets in a category 1 calcutta sweep must be numbered consecutively.

If the draw of a category 1 calcutta sweep is not to occur on the day on which tickets in the sweep are sold, the tickets must include the following information for the sweep:

- the name of the event on which it is conducted;
- the closing date;
- the time, day and place it is to be drawn and the auction is to be held;
- the name of the association/ individual conducting it;
- the price of the ticket;
- the number of the ticket;
- the name and address of the entrant

Ineligibility to Enter

A person is not eligible to enter a category 1 calcutta sweep if:

- the person is directly engaged in the conduct of the drawing of the calcutta sweep; or

- the person is a member of the "immediate family" of a person mentioned above.

"Immediate family", of a person, means the person's spouse and family members residing at the same premises as the person.

Advertisements

An advertisement for a category 1 calcutta sweep must contain the following:

- the date and name of the event on which it is to be conducted;
- the closing date for the sale of tickets;
- details of how prize winners will be notified;
- the name of the sociation/individual conducting it;
- the time, date and place for the draw and auction.

Drawing a Category 1 Calcutta Sweep

Each person who buys a ticket in a category 1 calcutta sweep must have a fair and equal chance of drawing a participant in the race or event.

Results

The association conducting a category 1 calcutta sweep must give information about the way in which the results will be published or made available.

The prize winners must be notified in the way mentioned above.

Distribution of Prize Pool

The respective prize payout percentages for a calcutta sweep must be notified to players before the sweep is drawn and the auction is conducted.

Are There Any Prescribed Percentages for Prizes, Expenses and Net Profit?

No. However, the amount of the estimated gross proceeds of the calcutta sweep that may be paid towards the cost of conducting the calcutta sweep, other than the cost of prizes, must be reasonable in relation to:

- (a) the estimated gross proceeds of the calcutta sweep; and
- (b) the nature of the calcutta sweep.

Delivery of Prizes

For a category 1 calcutta sweep the person conducting the category 1 calcutta sweep must deliver the prizes to the winners in the category 1 calcutta sweep within one month of the conduct of the event.

The above does not apply if:

- the prize winner agrees in writing that the prize may be delivered more than 1 month after the conduct of the category 1 calcutta sweep; or

- after making all reasonable efforts, the association/individual conducting the category 1 calcutta sweep can not locate the prize winner.

Retention of Records

General gaming records shall be kept for a period of 5 years unless a shorter period is approved by the chief executive.

Keeping Accounting Records

An association/individual conducting a category 1 calcutta sweep must keep accounting records correctly recording and explaining the transactions for the category 1 calcutta sweep.

Lodgement of Returns

The chief executive **may, by written notice** to an association/individual,

request a return to be lodged concerning the conduct of a category 1 calcutta sweep.

The association/individual must give the return, in the approved form, within the time stated in the notice.

Audit

If the chief executive considers it necessary in the public interest, or for the proper conduct of general gaming, the chief executive **may, by written notice**, require an association/individual to have audited the financial records for a category 1 calcutta sweep.

The association/individual must comply with the notice unless there is a reasonable excuse for not complying with it.

The association/individual must pay the cost of the audit.

Penalties

The *Charitable and Non-Profit Gaming Act 1999* prescribes heavy penalties for associations/individuals who fail to comply with the various provisions designed to ensure that the integrity of charitable gaming is maintained.

Want to Know More

Please contact QOGR's client service area on **(07) 3872 0999** or Toll Free on **1800 064 848** (outside Brisbane) or by mail to **Queensland Office of Gaming Regulation, Locked Bag 180, City East Qld 4002**.

This guide has been prepared to provide associations/individuals

conducting games with basic information regarding the conduct of those games.

Associations/individuals conducting games should familiarise themselves with the provisions of the *Charitable and Non-Profit Gaming Act 1999* together with the *Charitable and Non-Profit Gaming Regulation 1999* and the *Charitable and Non-Profit Gaming Rules 1999*.

Copies of the legislation are available from **Goprint Bookshops** at **371 Vulture Street, Woolloongabba Qld 4102** and **135-147 George Street Brisbane Qld 4000** or by telephoning **(07) 3246 3399**.

**An Office of Gaming Regulation
publication**

Locked Bag 180
CITY EAST QLD 4002
Tel (07) 3872 0999
Fax (07) 3872 0998
Email info@qogr.qld.gov.au
Web Site www.qogr.qld.gov.au

Queensland Office of
Gaming Regulation

| | | |
|---------|------------------|----------------|
| Issue 1 | Initial Printing | December 1999 |
| Issue 2 | PDF Version | January 2000 |
| Issue 3 | PDF Version | August 2000 |
| Issue 3 | Print Version | September 2001 |
| Issue 4 | PDF Version | May 2002 |
| Issue 4 | Print Version | October 2003 |
| Issue 5 | Print Version | January 2005 |
| Issue 6 | PDF Version | May 2006 |