



Queensland Government

Treasury

Charitable and Non-Profit Gaming Act 1999

A Guide for

PRINTERS & SELLERS OF

Lucky Envelopes

**UP TO \$5 000 GROSS PROCEEDS
(TOTAL TICKET SALES)**

Queensland Office of
Gaming Regulation

The *Charitable and Non-Profit Gaming Act 1999* provides for a game called lucky envelopes.

What is lucky envelopes?

“**Lucky envelopes**” is a game in which:

- (a) a ticket is torn, opened or scratched, whether physically or electronically, to reveal numbers, letters or symbols that may entitle a player to a prize; or
- (b) a ticket is printed, electronically or mechanically, with a number, letter or symbol that may entitle the player to a prize;

“**Lucky envelopes**” includes:

- (a) the games known as lucky envelopes, break-open, pull-tab, lucky numbers and instant art union; and
- (b) any similar game, by whatever name called.

Who Can Conduct Lucky Envelopes?

An eligible association can conduct lucky envelopes.

What is an Eligible Association?

An “**eligible association**” is:

- (a) an association formed and operated principally for a charitable, community, educational, patriotic, religious or sporting purpose or a similar purpose prescribed under a regulation; or

- (b) a parents and citizens association formed under the *Education (General Provisions) Act 1989*; or
- (c) a registered political party under the *Electoral Act 1992*.

Does an Eligible Association Need a Licence to Conduct Lucky Envelopes?

No

Who Can Print Lucky Envelopes?

A corporation that holds a lucky envelopes printer’s licence.

Application for Issue of a Lucky Envelopes Printer’s Licence

An application must be:

- made to the chief executive in the approved form; and
- be accompanied by the application fee of \$2 500; and
- lodged at least 28 days before the applicant intends to print lucky envelopes under the licence.

Selling Lucky Envelopes

An eligible association must not sell lucky envelopes unless the envelopes have been printed under a lucky envelopes printer’s licence.

Claiming a Prize

A person may claim a prize in a lucky envelopes game with the eligible association or its agents.

Unsold Tickets

Unsold tickets in a lucky envelopes game may be withdrawn from sale only if all the winning lucky envelopes tickets have been sold.

Restriction on Conducting Lucky Envelopes

An eligible association must not conduct lucky envelopes if the gross proceeds of the game are more than \$5 000.

Prohibited Prizes

Prohibited prizes in lucky envelopes are:

- more than \$500 in cash, or, in the case of scratch and reveal type lucky envelopes, more than \$250 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 eligible association involved in the conduct of lucky envelopes must not sell a ticket in a lucky envelopes game to a minor if a prize for the lucky envelopes 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*
- (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 the prizes available in a game of lucky envelopes must be at least 40% of the estimated gross proceeds.

Percentage of Prize Winning Tickets

At least 6% of the lucky envelopes tickets in a game must be prize winning tickets.

Are There Any Prescribed Percentages for Expenses or Net Profit?

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

- (a) the estimated gross proceeds of the lucky envelopes game; and
- (b) the nature of the lucky envelopes game.

Ticket Requirements

A “**ticket**” means a document or thing that evidences, or is intended to evidence, a person’s right to participate in a game of lucky envelopes.

All tickets in a game of lucky envelopes 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 each). 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 allotted to a player if the player has paid the correct price for the ticket.

Prize winning tickets must be randomly distributed throughout each series of lucky envelopes tickets.

A lucky envelopes ticket must include:

- the licence number of the corporation who printed the ticket; and
- the serial number for the lucky envelopes game; and
- the ticket price; and
- the name of the eligible association conducting the lucky envelopes; and
- any other information the chief executive requires.

The serial number must be from the sequence of serial numbers that is allocated by the chief executive to the corporation who holds the lucky envelopes printer’s licence. A serial number must be used only once.

Lucky envelopes tickets must be:

- securely sealed on all sides; and
- made of a material that does not allow the contents of the playing panel to be seen without opening the playing panel.

Ineligibility to Enter a Game of Lucky Envelopes

A person is not eligible to enter a lucky envelopes game if the person is:

- a member of the management committee of the eligible association conducting the game; or
- engaged in conducting the game; or
- the eligible association conducting the game; or
- a member of the immediate family of those mentioned above;
- a child, and a person enters the game by buying a scratch and reveal lucky envelopes ticket.

“**Immediate family**”, for a person, means the person’s spouse and family members residing at the same premises as the person.

Approving Lucky Envelope Vending Machines

A person may apply to the chief executive for the approval of a lucky envelopes vending machine.

An eligible association must not conduct lucky envelopes from a lucky envelopes vending machine unless the machine is approved by the chief executive.

Installation and Operation of Lucky Envelopes Vending Machines

If an eligible association arranges with the occupier of premises for the

installation of a lucky envelopes vending machine the eligible association must ensure that the occupier, or an employee of the occupier, does not assist or become involved with the operation of the machine for the sale of lucky envelopes from the machine.

However this does not prevent the occupier from:

- paying to a winner, on behalf of the eligible association, a prize won in a lucky envelopes game if the eligible association has authorised the occupier in writing to pay prizes; or
- telling the eligible association about difficulties and faults in the operation of the machine or that the machine has been tampered with in any way; or
- if the machine is electrically operated - ensuring that the supply of electricity to the machine is connected and turned on.

The eligible association must not give the occupier any money or other consideration for the installation of the machine, other than:

- an amount of not more than 5% of the gross proceeds of each game of lucky envelopes sold from the machine; or
- an amount to reimburse the occupier for a prize paid by the occupier on behalf of the eligible association.

Keeping General Gaming Records

An eligible association conducting a lucky envelopes game must keep records (“**general gaming records**”) about the conduct of the lucky envelopes game.

These records must be kept at the eligible association’s principal place of business in Queensland, the registered office in Queensland, or another place approved by the Chief Executive.

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 eligible association conducting a lucky envelopes game must:

- keep accounting records correctly recording and explaining the financial transactions for the lucky envelopes game; and
- keep the accounting records in a way that allows:
 - (a) true and fair financial statements to be prepared when necessary; and
 - (b) the financial statements and accounts to be conveniently and properly audited.

Lodgement of Returns

The chief executive may also issue a written notice for the lodgement of a return for any category 2 lucky envelopes game.

An eligible association must comply with the notice unless there is a reasonable excuse for not complying with it.

Submitting Returns - Lucky Envelopes Printers

The holder of a Lucky Envelopes Printer’s Licence must submit a return, in the approved form, within one month after each 30 June and 31 December during the term of the licence.

Audit - Lucky Envelopes Printers

The holder of a Lucky Envelopes Printer’s Licence must ensure the financial accounts, records and statements for the holder’s operations under the licence are audited by an accountant.

The audited return is to be lodged with the chief executive within three months of the end of the Lucky Envelopes Printer’s financial year.

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**.

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