

RAFFLES

3-4-1: DEFINITIONS:

Unless the context otherwise requires, all words and phrases used herein shall have the same meanings as the same or similar words or phrases defined and used in this state law.

NET PROCEEDS: The gross receipts from the conduct of raffles, less reasonable sums expended for prizes, local license fees, and other reasonable operating expenses incurred as a result of operating a raffle.

RAFFLE LICENSING AGENT: For the village of Oswego is the village clerk.

STATE LAW: Whenever reference herein is made to "state law" it shall mean and refer to an act of the general assembly of the state of Illinois, entitled "an act to provide for licensing and regulating certain games of chance and amending certain acts herein named", approved August 5, 1982, as amended. (Ord. 86-01, 3-4-1986)

3-4-2: QUALIFICATIONS:

(A) Applicants: A license to operate a raffle shall be issued only to bona fide religious, charitable, labor, fraternal, educational, or veterans' organizations, that operate without profit to their members and which have been in existence continuously for a period of five (5) years immediately before making application for a license and which have had during that entire five (5) year period a bona fide membership engaged in carrying out their objects.

(B) Restrictions: No license shall be issued to:

1. Any person who has been convicted of a felony;
2. Any person who is or has been a professional gambler or gambling promoter;
3. Any person who is not of good moral character;
4. Any firm or corporation in which a person defined in subsection (B)1, (B)2, or (B)3 of this section has a proprietary, equitable, or credit interest, or in which such a person is active or employed;
5. Any organization in which such a person defined in subsection (B)1, (B)2, or (B)3 of this section is an officer, director, or employee, whether compensated or not;
6. Any organization in which a person defined in subsection (B)1, (B)2, or (B)3 of this section is to participate in the management or operation of a raffle as defined by state law. (Ord. 86-01, 3-4-1986)

3-4-3: APPLICATION:

(A) Required Information: Application forms shall be furnished by the raffle licensing agent and filed with same. Said application shall show the following:

1. The name and address of the applicant;
2. The date, time and location at which winning chances will be determined;

3. Place and date of chartering or incorporation of applicant, if applicable;
 4. Name, address, telephone number, social security number and date of birth of presiding officer, secretary, and raffle manager of applicant;
 5. The area or areas in which raffle tickets will be sold;
 6. A list of prizes and the retail value of each prize to be awarded in a single raffle; and
 7. The price to be charged for each ticket sold.
- (B) Sworn Statement: The license application shall contain a sworn statement attesting to the accuracy of the information provided and to the not for profit character of the prospective licensee. Said statement shall be signed by the presiding officer, secretary, and raffle manager of that prospective licensee.
- (C) Number Of Raffles: An application for a license under this chapter is valid for one raffle only.
- (D) Application Not Required: Any raffle in which the aggregate value of the prizes is less than five hundred dollars (\$500.00) shall be considered automatically licensed without necessity of an application. (Ord. 86-01, 3-4-1986)

3-4-4: REGULATIONS GOVERNING LICENSEE:

- (A) Conduct Of Raffles: The conducting of raffles is subject to the following restrictions:
1. The entire net proceeds of any raffle must be exclusively devoted to the lawful purposes of the licensee permitted to conduct that game.
 2. No person except a bona fide member of the licensee organization may participate in the management or operation of the raffle.
 3. No person may receive any remuneration or profit for participating in the management or operation of the raffle.
 4. Raffle chances may be sold or issued only within the area or areas specified on the license.
 5. Winning chances must be determined only at the time, date, and location specified on the license.
 6. Any person selling raffle chances must carry a copy of the license issued for the raffle.
- (B) Raffle Limits:
1. The aggregate retail value of all prizes or merchandise awarded by a licensee in a single raffle shall not exceed fifty thousand dollars (\$50,000.00).
 2. The maximum retail value of each prize awarded by a licensee in a single raffle shall not exceed fifty thousand dollars (\$50,000.00).
 3. The maximum price which may be charged for each raffle chance issued or sold shall not exceed one hundred dollars (\$100.00).
 4. The maximum number of days during which chances may be issued or sold shall not exceed one hundred eighty (180).

5. The license shall not be valid for more than two hundred ten (210) days.

(C) Raffle Manager And Bond:

1. All operation and conduct of raffles shall be under the supervision of a single raffle manager as designated on the license application.
2. A manager shall give a fidelity bond in the sum of the aggregate retail value of the prizes as set out on the application. The bond shall be in favor of the organization conditioned upon the raffle manager's honesty in the performance of his duties. Said bond shall provide that notice shall be given in writing to the licensing authority not less than thirty (30) days prior to its cancellation period. If the retail value of the prizes exceeds fifteen thousand dollars (\$15,000.00), such bond shall be a corporate surety.

(D) Records:

1. Gross receipts from the operation of raffle programs shall be segregated from other revenues of the licensee (including bingo gross receipts, if bingo games are also conducted by the same licensee pursuant to license issued by the department of revenue of the state of Illinois), and placed in a separate account. Each organization shall have separate records of its raffles.

The person who accounts for gross receipts and expenses from the operation of raffles shall not be the same person who accounts for other revenues of the organization.

2. Each licensee shall keep records of gross receipts, expenses, and net proceeds for each single raffle at which winning chances are determined. All reasonable operating expenses deducted from gross receipts for each single raffle shall be documented with receipts or other records indicating the amount, a description of the purchased item or service or other reason for the deduction, and the recipient. The distribution of net proceeds shall be itemized as to payee, purpose, amount, and date of payment.
3. Each licensee, within thirty (30) days of the raffle, shall report to its membership and to the raffle licensing agent each of the following:
 - (a) Gross receipts generated by the conducting of the raffle;
 - (b) An itemized list of all reasonable operating expenses which have been deducted from the gross receipts;
 - (c) Net proceeds from the conducting of the raffle;
 - (d) An itemized list of the distribution of the net proceeds; and
 - (e) A list of prize winners.
4. Records required by this section shall be preserved for three (3) years, and the organization shall make available for public inspection their records relating to the operation of a raffle at reasonable times and places.

(E) Separability: Nothing in this chapter shall be construed to authorize the conducting or operating of any gambling scheme, enterprise, activity, or device other than raffles as provided by state law. (Ord. 86-01, 3-4-1986)

3-4-5: FEES:

Aggregate Prize Value	Fee
Less than \$500.00	None
\$501.00 to \$5,000.00	\$ 5.00
\$5,001.00 and over	25.00

(Ord. 86-01, 3-4-1986)

3-4-6: ADMINISTRATION:

- (A) The raffle licensing agent shall be charged with the administration of this chapter.
- (B) The authority and jurisdiction of the village of Oswego to issue a license to a prospective licensee shall extend only to the village limits of the village of Oswego.
- (C) The raffle licensing agent shall act upon a license application within ten (10) days from the date of the application.
- (D) The president of the village of Oswego and the village clerk may enter into a written contract with the Kendall County board which has adopted a raffle ordinance consistent with this chapter to jointly establish a system for the licensing of organizations to operate raffles within the unincorporated area of Kendall County and within the corporate limits of the village of Oswego. Such contract shall be consistent with the limitations of this chapter except that a license issued by one government unit shall be valid throughout the jurisdiction of all parties to the contract. (Ord. 86-01, 3-4-1986)

3-4-7: ENFORCEMENT:

- (A) Penalties: Any person found liable/guilty by a preponderance of the evidence of a violation of this chapter in an administrative/judicial hearing shall be subject to a class IV fine, plus applicable hearing costs, as provided in subsection 1-4-3(G) of this code. (Ord. 09-42, 5-12-2009)
- (B) Abatement: The imposition of the penalties herein prescribed shall not preclude the Kendall County state's attorney or the village attorney from instituting appropriate action to prevent unlawful raffles or to restrain, correct, or abate a violation of this chapter or of the conditions of a raffle license issued pursuant hereto. (Ord. 86-01, 3-4-1986)