

NORTH CAROLINA GENERAL ASSEMBLY
1977 SESSION

CHAPTER 491
HOUSE BILL 573

AN ACT RELATING TO RAFFLES AND THE GAME OF BINGO IN ALAMANCE,
BUNCOMBE, McDOWELL, AND MECKLENBURG COUNTIES.

The General Assembly of North Carolina enacts:

Section 1. It shall be unlawful to operate raffles and the game of "bingo" (by whatever name called) for prizes and/or money except as hereinbelow provided. It shall be lawful to operate raffles and the game of "bingo" (by whatever name called) for prizes and/or money if the person or organization operating said game or raffle has prominently displayed a determination letter from the North Carolina Secretary of Revenue (or the equivalent from the Internal Revenue Service) in the specific place or room where said game or raffle is being conducted. The determination letter must indicate that the person or organization conducting said game or raffle has been exempted from income and/or franchise taxes in respect to income derived in the conduct of its exempt activities. Nothing contained in said determination letter shall exempt the person or organization from any unrelated business income taxes received from said raffle or "bingo" game.

Sec. 2. All proceeds derived from such games shall inure to the named nonprofit organization. No proceeds shall be deducted for administration, management or any operating expenses other than prizes.

Sec. 3. A nonprofit organization may not contract with or compensate any individual or corporation for conducting any "bingo" game.

Sec. 4. The number of sessions where a game of "bingo" is conducted or sponsored by a person or single organization shall be limited to one session per week. No session where the game of "bingo" is conducted shall exceed a time period of six consecutive hours per week.

Sec. 5. The number of sessions where a game of "bingo" is conducted or sponsored shall be limited to one session per week in any one location.

Sec. 6. It shall be sufficient under this act for a *prima facie* showing of a violation to show that a raffle was being conducted or the game of "bingo" was being played for prizes and/or money and that the determination letter required by this act was not prominently displayed. The *prima facie* showing does not require expert testimony.

Sec. 7. Any violation of this act shall be a misdemeanor, punishable in accordance with G.S. 14-3(a).

Sec. 8. Chapter 628, Section 1 of the 1975 Session Laws is hereby repealed in its entirety.

Sec. 9. This act shall apply only in the following counties; Alamance, Buncombe, McDowell, and Mecklenburg.

Sec. 10. This act shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 8th day of June, 1977.