

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 1107
HOUSE BILL 1754

AN ACT TO REGULATE RAFFLES.

The General Assembly of North Carolina enacts:

Section 1. The words "and raffles" are deleted from the catch line of G.S. 14-309.5.

Sec. 2. G.S. 14-309.5, 14-309.6, 14-309.7, 14-309.11, and 14-309.12 are amended by deleting the words "raffle or" each time they appear.

Sec. 3. G.S. 14-309.5 and G.S. 14-309.11 are amended by deleting the words "raffles and" each time they appear.

Sec. 4. G.S. 14-309.5, 14-309.7, and 14-309.13 are amended by deleting the words "or raffle" each time they appear.

Sec. 5. G.S. 14-309.6(3) is repealed.

Sec. 6. G.S. 14-309.7, 14-309.8, and 14-309.9 are amended by deleting the words "or raffles" each time they appear.

Sec. 7. G.S. 14-309.8 is amended by deleting the following sentence:

"Raffles shall be limited to one per month per organization per county."

Sec. 8. G.S. 14-309.9(b) is repealed.

Sec. 9. G.S. 14-309.10 and G.S. 14-309.11 are amended by deleting the words "raffles or" each time they appear.

Sec. 10. G.S. 14-309.14 is amended by deleting the words: "nor shall it apply to any raffle held in conjunction with a convention or other meeting open only to members of the exempt organization, their spouses, and their children".

Sec. 11. Part 2 of Article 37 of Chapter 14 of the General Statutes is amended by adding a new section to read:

"§ 14-309.15. Raffles. – (a) It is lawful for any nonprofit organization or association, recognized by the Department of Revenue as tax-exempt pursuant to G.S. 105-130.11(a), to conduct raffles in accordance with this section. Any person who conducts a raffle in violation of any provision of this section shall be guilty of a misdemeanor under G.S. 14-292 and shall be punished in accordance with G.S. 14-3. Upon conviction that person shall not conduct a raffle for a period of one year. It is lawful to participate in a raffle conducted pursuant to this section. It shall not constitute a violation of State law to advertise a raffle conducted in accordance with this section. A raffle conducted pursuant to this section is not 'gambling'.

(b) For purposes of this section 'raffle' means a game in which the prize is won by random drawing of the name or number of one or more persons purchasing chances.

(c) Raffles shall be limited to two per nonprofit organization per year.

(d) The maximum cash prize that may be offered or paid for any one raffle is one thousand dollars (\$1,000) and if merchandise is used as a prize, and it is not redeemable for cash, the maximum fair market value of that prize may be twenty-five thousand dollars (\$25,000). No real property may be offered as a prize in a raffle.

(e) Raffles shall not be conducted in conjunction with bingo.

(f) As used in this subsection, 'net proceeds of a raffle' means the receipts less the cost of prizes awarded. No less than ninety percent (90%) of the net proceeds of a raffle shall be used by the nonprofit organization or association for charitable, religious, educational, civic, or other nonprofit purposes. None of the net proceeds of the raffle may be used to pay any person to conduct the raffle, or to rent a building where the tickets are received or sold or the drawing is conducted."

Sec. 12. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 6th day of July, 1984.