Raffles for PTAs

Overview

What is a raffle? A raffle is a game of chance in which a participant is required to pay something of value for a ticket or a chance to win a prize, and the winner is determined by a random drawing or similar process in which all participants have an equal chance of winning. PLEASE NOTE: If no money or anything of value is exchanged, it is NOT considered a raffle.

The PTA MUST be the one sponsoring the raffle and cannot work with another entity to conduct raffles on its behalf.

Annual Raffle Registration

Sometimes, PTAs may need to file an annual raffle registration form with the Secretary of State (SoS), along with a $50 registration fee. Remember, this is different from filing as a charitable organization*.

- When you are **NOT** required to file a raffle registration (exempt):
    - Raffles in which a non-cash prize is donated for the raffle, and the total value of the prize or prizes for the raffle event is $950.00 or less
    - 50/50 raffles in which the raffle tickets are sold to members or guests of the nonprofit organization (not to the general public) and the total value of the proceeds collected is not more than $950.00.
    - You can only have one exempt raffle every seven days.

- When you **ARE** required to file a raffle registration (non-exempt):
    - An individual prize awarded to each winner may not exceed the fair market value of $80,000.
    - For each raffle event, the total fair market value of prizes offered may not exceed $300,000.

**For more information on registering as a charitable organization, please see this document. If you do not work with a professional fundraising company/solicitor, you do not need to register as a charitable organization before registering to hold raffles.*

Additional Information

- PTAs may have up to four non-exempt raffles every year.
- You can have both exempt and non-exempt raffles if you choose - you do not need to choose one or the other; however, you must always register if you hold a non-exempt raffle.
- If you do need to register, it's due by the same date as the Charitable organizations' filing due date (Nov. 15).

- If your PTA is non-exempt, you MUST file an annual financial report with the SoS for the prior fiscal year. The due date is also Nov. 15. There are no extensions for the raffle annual financial report.
  - Must be very detailed for up to three years.
  - The annual financial report must include: the total value of all prizes offered, the amount of tickets sold and the cost of each raffle ticket, the amount of gross receipts, the amount of adjusted gross receipts, the total amount of expenditures and expenses, and the amount of net receipts. The PTA president must certify the report as true.
- Even if you are exempt, you still need to keep all detailed records for up to three years and must be made available upon request.
- You must use no less than 90% of the less receipts from a raffle for the purpose of the PTA.
- To advertise raffles, the following MUST be included:
  - The name of the PTA sponsoring the event
  - The purpose for which the funds will be used
  - A statement of how much of the gross receipts conducted in the past two years that were or were not applied for the charitable purpose. (For example, since 2024, 85% of funds from all raffles have directly supported the ABC PTA).
  - If you do not include this information, your PTA may be subjected to a fine.
- The purchase price of a raffle ticket may not exceed $300.00.
- PTAs may not offer real property as a prize in a raffle.
- A raffle drawing must be held no later than nine months after the first raffle ticket is sold.
- A raffle drawing for a non-exempt raffle may not be held between the hours of 12:00 am (midnight) and 10:00 am.
- No raffles may be held on Christmas Day.

For more information, visit sos.sc.gov or click this link.