



## **Raffle Procedures**

### **RMC Procedures – For ALL Raffles**

1. The department, club or other group conducting the raffle is responsible for initiating and completing all requirements in a timely manner, and for sending copies of all forms to the Business Office.
2. All forms needed to conduct your raffle are available in the Business Office.
3. If federal information documents are required (W-9, W2G – see below), you may need to get some information from the Business Office in advance.
4. These procedures are posted on the Business Office web site.

### **Yellowstone County Requirements – For ALL Raffles**

1. An “Application to Conduct a Raffle” must be on file in the Yellowstone County Commissioners’ Office before you begin to sell tickets. As a nonprofit organization, the college does not need a permit; nonetheless, this application form needs to be filed.
2. A “Raffle Accounting Form” must be submitted to the board of county commissioners with 30 days following the completion of the raffle.
3. Sales of raffle tickets are restricted to events and participants within the State of Montana.
4. Proceeds may be used for purposes related to the nonprofit status of the college, and for the cost of prizes, but may not be used towards any administrative cost of conducting the raffle.

### **Internal Revenue Service Requirements – As needed**

1. *Prize is cash or property worth \$600 or more.* At the time of the raffle, and before the prize is delivered, the winner must fill out a W-9, Request for Taxpayer Identification Number, and be issued a W-2G, Certain Gambling Winnings. If the Winner refuses to fill out a W-9, backup withholding equal to 31% of the prize must be withheld and turned in to the Business Office for submission to the IRS.
2. *Prize is cash or property worth \$5000 or more.* In addition to the W-9 and W-2G requirements, the college must retain, before the prize is awarded, 28% gambling withholding. If the prize is property, the winner must pay the withholding amount before the prize can be delivered. The college is not responsible for collecting and submitting the withholding whether or not it collects it from the winner. Uncollected withholding would have to be charged against the project the raffle was intended to benefit.