

HOUSE BILL NO. 774
INTRODUCED BY B. GLASER

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS GOVERNING RAFFLES CONDUCTED BY A RELIGIOUS CORPORATION SOLE OR A NONPROFIT ORGANIZATION; ALLOWING A RELIGIOUS CORPORATION SOLE OR A NONPROFIT ORGANIZATION TO SELL RAFFLE TICKETS OVER THE INTERNET; ALLOWING A RELIGIOUS CORPORATION SOLE OR A NONPROFIT ORGANIZATION TO CONDUCT A RAFFLE FOR A FIXED PERIOD OF TIME OR UNTIL AN AMOUNT FIXED PRIOR TO THE COMMENCEMENT OF THE SALE OF RAFFLE TICKETS IS REACHED; AND AMENDING SECTION 23-5-413, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 23-5-413, MCA, is amended to read:

"23-5-413. Raffle prizes -- permits -- exceptions. (1) (a) Except as provided in subsections (1)(b) and (1)(c), a permit must be issued by the board of county commissioners for each raffle conducted within its jurisdiction. The permit must be issued before the raffle may be conducted.

(b) If tickets for a raffle are to be sold in more than one county, a permit must be obtained only in the county where the winners of the raffle are to be determined.

(c) If a raffle is to be conducted by a religious corporation sole or a nonprofit organization, as defined in 23-5-112, a county permit is not required. A religious corporation sole or a nonprofit organization under section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. 501(c)(3), may sell raffle tickets over the internet.

(2) Except for a religious corporation sole or a nonprofit organization, a person or organization conducting a raffle shall own all prizes to be awarded as part of the raffle before the sale of any tickets.

(3) A person who has conducted a raffle ~~must~~ shall submit an accounting to the board of county commissioners within 30 days following the completion of the raffle.

(4) The sale of raffle tickets authorized by this part is restricted to events and participants within the geographic confines of the state.

(5) The value of a prize awarded for an individual ticket for a raffle conducted by a person or an organization, other than a religious corporation sole or a nonprofit organization, may not exceed \$5,000. The prize may be in the form of cash, other intangible personal property, tangible personal property, or real property. Prizes

may not be combined in any manner to increase the ultimate value of the prize awarded for each ticket.

(6) (a) A religious corporation sole or a nonprofit organization shall comply with the requirements in subsections (3) and (4). A religious corporation sole or a nonprofit organization may conduct a raffle for a fixed period of time or until an amount fixed prior to the commencement of the sale of raffle tickets is reached.

(b) The proceeds from the sale of tickets for a raffle conducted by a religious corporation sole or a nonprofit organization may be used only for charitable purposes or to pay for prizes. Proceeds may not be used for the administrative cost of conducting the raffle.

(c) (i) The value of a prize awarded for an individual ticket for a raffle conducted by a religious corporation sole or a nonprofit organization may equal or exceed \$5,000 if the prize is in the form of:

(A) tangible personal property; or

(B) real property the fair market value of which has been certified in writing by an appraiser licensed under 37-54-201.

(ii) If the value of the prize is less than \$5,000, the prize may be in the form of cash, other intangible personal property, tangible personal property, or real property."

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