

Questions and Answers
Regarding Participation of a Government Employees in Raffles, Games of Chance, and
Other

Gambling Activities

This paper presents 8 questions and answers that apply when a Government employee (military or civilian) or member of a Private Organization(PO)/Unofficial Activity (UA) wishes to conduct in raffles, games of chance, and other gambling activities as a fundraising event.

1. Can members of our PO/UA fundraise while on duty?

No. While on Government-owned or leased property or on duty for the Government (for military members, this means, in this context, present for duty), an employee shall not conduct or participate in any gambling activity, including operating a gambling device, conducting a lottery or pool, participating in a game for money or property, or selling or purchasing a numbers slip or ticket. (5 CFR § 735.201)

2. Are there any rules concerning the use of gaming devices?

Yes. AFI 36-3101, para.13.2.3, provides that installation commanders will ensure any gaming devices or games of chance used in the AFAF, CFC, or internal fundraising comply with Federal, State, and local laws. Idaho law provisions are explained below.

3. Can POs conduct raffles?

No. AFI 34-223, para 10.16, provides except POs which are composed primarily of DoD personnel or their family members may conduct fund-raising raffles on an Air Force installation on an occasional, infrequent basis when authorized in advance by the installation commander or designee subject to the limitations explained above.

4. What are the requirements for conducting a raffle?

AFI 36-3101, para.13.2.3, states POs **must not violate the law of the city, county, state, or country in which the installation is located** and comply with any applicable requirements of such laws, e.g., securing required licenses or permits, filing application documents and/or reports, etc. Raffles must be for the benefit of DoD personnel or their family members. Failure to comply with the laws and regulations explained above could result in the raffle violating the general gambling provisions of the Joint Ethics Regulation. Raffles may not be authorized to raise money for local or national groups such as a regional or national Heart or Cancer Association whose funds would not benefit primarily DoD personnel or their family members.

5. Who is the overall approval authority for raffle fund-raising events?

Installation commanders must consider the proposed use of the proceeds and may approve only those requests that serve a charitable, civic, or other community welfare purpose within the DoD community and which directly benefit DoD personnel or their family members.

6. What are the permissible uses for proceeds of raffles? How specific should I be when I submit my request for approval?

Permissible examples for, raffles would be when the proceeds would be used for new playground equipment at a child development center or new furnishings at a youth center; to fund scholarship programs for DoD personnel and their family members; to donate money to base scouting organizations; or to provide food, clothing, shelter, or other relief to needy DoD personnel or their families. However, these events must still comply with state law.

6. Can POs conduct raffle events for their personal organizational use?

No. AFI 34-223, para 10.16.2.2, states raffle requests to raise funds for purely social, recreational, or entertainment purposes which benefit only individual PO members and/or their family members, such as to underwrite the cost of a weekend ski trip, a sight-seeing tour, or a shopping excursion will not be approved.

7. What are some things to consider when conducting a raffle?

- (1) AFI 34-223, para 10.16.2.3, states requests for approval to conduct raffles must identify the purpose for which funds are being raised and the intended beneficiaries of the proceeds. They must also identify how the PO will ensure the proceeds are used only for that purpose and those beneficiaries.
- (2) AFI 34-223, para 10.16.3, states raffles must not be officially endorsed or supported except as permitted by sections 3-210 and 3-211 of the JER.
- (3) AFI 34-223, para 10.16.3, states, raffles may not be conducted in the workplace. With installation commander or designee approval.
- (4) AFI 34-223, para 10.16.3, provides these events not be conducted by military members or civilian employees during their duty time. Military members may not conduct raffles while in uniform at any time. Air Force personnel may participate in PO fundraising raffles only in a purely personal, unofficial, volunteer capacity at authorized locations and in ways that do not imply official endorsement.
- (5) For active duty and reservists, gambling with a subordinate may be a violation of Articles 133 and 134 of the Uniform Code of Military Justice (UCMJ).

8. How does the state of Idaho define gambling?

Idaho state law provides: Idaho Code § 18-3801 defines gambling as any means of risking any money, credit, deposit or other thing of value for gain contingent in whole or in part upon lot, chance, the operation of a gambling device or the happening or outcome of an event, including a sporting event, the operation of casino gambling including, but not limited to, blackjack, craps, roulette, poker, baccarat or keno, but does not include:

(1) Bona fide contests of skill, speed, strength or endurance in which awards are made only to entrants or the owners of entrants;

Example: If I am the owner of a horse, I may receive a reward. However, if you bet on my horse running the race, that consists of gambling.

Or

(2) Bona fide business transactions which are valid under the law of contracts;

Example: I may pay you money as consideration for buying your car.

Or

(3) Games that award only additional play;

Example: If you are really good at pinball, you get to play more rounds.

Or

(4) Merchant promotional contests and drawings conducted incidentally to bona fide nongaming business operations, if prizes are awarded without consideration being charged to participants;

Example: “No purchase necessary to win” language you might have heard before.

Or

(5) Other acts or transactions now or hereafter expressly authorized by law.

Example: The Idaho State Lottery is specifically permitted.

City Code

The city of Mountain Home incorporates the criminal code of Idaho as if it were independently set forth in its own city ordinance. (Chapter 1, section 6-1-1).

Need to add information about tax exempt status under IRS code. Also briefly mentioned IRS rules on gaming and record keeping on deductions. See documents I attached to this email – PAD.

9. Tax Exempt Organizations.

To receive recognition as tax-exempt under section 501(c)(3) of the Internal Revenue Code, an organization must be organized and operated exclusively for exempt purposes set forth in section 501(c)(3), and none of its earnings may inure to any private shareholder or individual. In addition, the organization may not be an action organization, i.e., it may not attempt to influence legislation as a substantial part of its activities and it may not participate in any campaign activity for or against political candidates.

Please direct inquiries about obtaining tax-exempt status, and including language about donation write-offs in PO/UA materials to the IRS. Call IRS Tax Exempt and Government Entities Customer Account Services at (877) 829-5500 (toll-free number). Further materials can be found at:

<https://www.irs.gov/Charities-&-Non-Profits>.