

Lottery Licence Frequently Asked Questions

What is a lottery?

A lottery is defined as any event that has the following three components:

1. A prize;
2. An element of chance (to win a prize); and
3. A consideration or a fee to participate.

The [Alcohol and Gaming Commission \(AGCO\)](#) is responsible for administering lottery licensing in the Province of Ontario. Both municipalities and the AGCO are responsible for issuing lottery licences to eligible charitable and religious organizations. An [overview of charitable gaming/ lottery licensing](#) can be found on the AGCO's website and in the [Lottery Licence Policy Manual](#) (LLPM).

Municipalities are the licensing authority for:

- Bingo events, including table board bingo, with prize boards of up to \$5,500;
- Media bingo events with prizes up to \$5,500;
- Break Open Tickets (BOTs) for local organizations;
- Raffle lotteries (including 50/50, Catch the Ace) with total prizes of \$50,000 and under; and
- Bazaar lotteries which include: wheels of fortune with a maximum bet of \$2.00, raffles not exceeding \$500, and bingo events up to \$500.

The AGCO is the licensing authority for:

- Social gaming licences;
- Bingo events (i.e., Special Bingo, Monster Bingo) with a prize board over \$5,500
- Super jackpot bingo events;
- Progressive bingo game events and loonie progressive games;
- Special occasion gaming event
- Raffle lotteries for total prizes over \$50,000;
- Electronic raffles;
- Break open tickets sold by organizations with a provincial mandate;
- Lotteries held in conjunction with another gaming event, including break open tickets at bingo events;
- All lottery schemes conducted in unorganized territories; and
- Lottery schemes at designated fairs or exhibitions

For more information, visit the AGCO's [Charitable Gaming/Lottery Licensing Overview](#) webpage.



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Is my organization eligible for a lottery licence?

Canada's *Criminal Code* only permits charitable and religious organizations to conduct lottery events to raise funds pursuant to an issued lottery licence. Organizations must have a demonstrated charitable or religious mandate to qualify. The courts have determined that the term "charitable" refers to organizations which provide programs for:

- the relief of poverty;
- the advancement of education;
- the advancement of religion; and
- other charitable purposes beneficial to the community.

For more information: [The Four Charitable Classifications | Alcohol and Gaming Commission of Ontario](#)

The following are prerequisites to be considered eligible for a lottery licence:

- Organizations must have been in existence for at least one (1) year;
- Organizations must have a place of business in Ontario;
- Organizations' primary purpose must be to provide charitable services in Ontario; and
- Organization must use lottery proceeds for purposes which benefit Ontario residents.

What/Who is NOT eligible for a lottery license?

- Adult recreation leagues/teams/ hobby groups
- Wedding, Stag/Buck 'n Doe events
- For-profit businesses/organizations
- An organization that promotes private benefits to a restricted class of members
- Organizations that do not have a charitable object/purpose
- Professional associations, unions and employee groups, except those set up to carry out charitable activities
- Elected representative groups, including municipal, regional, provincial and federal governments
- Government agencies or bodies
- Political lobby groups
- Political parties
- Individuals

For more information visit [Ineligible Organizations | Alcohol and Gaming Commission of Ontario](#)



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How do I apply for eligibility?

Before applying for a lottery licence, an organization must first be approved as eligible. If this is your organization's first municipal lottery licence application, you must complete the Lottery Licence Eligibility Application and submit all required supporting documentation for review to the City of Vaughan.

What do I need to submit with my eligibility application?

Organizations must submit a completed, original copy of the City of Vaughan's Lottery Licensing Eligibility Application signed by 2 voting board members (President & Treasurer or Vice President), and supporting documents, including:

- Organization's constitution and/or by-laws, signed and dated
- Letters Patent, if applicable
- List of current Board of Directors showing name, position in the organization, address, phone number and email address
- Membership list, if applicable
- Brochures, pamphlets and any other background information describing programs and services delivered by the organization
- Revenue Canada Notification of Charitable Designation, if applicable
- Most recent documents filed with Revenue Canada (T3010), if the organization is registered as a charity under the Charities Accounting Act or Income Tax Act
- Operating budget for the current year and past year, including all sources of revenue and expenses
- Most recent annual signed financial statement

What is a lottery trust account?

Organizations must establish a **Canadian dollar lottery trust account** and deposit all lottery proceeds into that account. The account must be formally designated as a trust account by the financial institution. Organizations without a designated lottery trust account are not eligible to conduct charitable lottery events. For more information on designated lottery trust account requirements, visit the AGCO's [Trust Accounts](#) webpage and review the relevant sections of the [Lottery Licence Policy Manual](#) (LLPM).



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How long does it take to get a lottery licence?

Complete Lottery Licensing Eligibility Review Applications and event lottery licence applications must be submitted at least 30 business days before the proposed start of ticket sales. Late submissions may impact processing timelines and the issuance of a lottery licence.

What are the fees for a lottery licence?

- Raffle: 3% of total prize value
 - Bingo & Media Bingo: 3% of total prize board
 - Break Open Tickets: 3% of prize value per box
 - Bazaar: 3% of prize value for bingo or raffle; \$10/wheel
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What are different types of lottery licenses and application requirements for a lottery licence?

Once an organization has been approved through the eligibility review process, a lottery licence application must be submitted for each lottery event at least 30 business days before the proposed start of ticket sales.

Break Open Ticket Licence (Nevada)

Break open tickets are small cardboard lottery tickets. Symbols on the ticket are revealed by tearing open the cover tab, and the winning combination of symbols is shown on the back of the ticket.

Application requirements:

- Completed [Break Open Ticket Licence Application](#)
- Letter of Credit or certified cheque payable to City of Vaughan (if total prize value is over \$10,000)
- Lottery licence fee paid out of the lottery trust account for 3% of the total prize value
- Review the [Break Open Ticket Licence Terms and Conditions](#) and the [General Terms and Conditions of Lottery Licences](#) by the AGCO



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Raffle Lottery Licence

At a raffle lottery event, people buy tickets for a chance to win prizes in various types of draws, including:

- 50/50 Draws
Winner receives a cash prize equal to half of the total ticket sales
- Stub Draws
Traditional ticket draw where a matching stub is pulled
- Elimination Draws
Tickets are drawn sequentially until a final winning ticket remains (e.g., last ticket standing)
- Alternative Raffles
Golf ball drops, rubber duck races, meat spins/turkey rolls, and cow patty bingo.
- Calendar Draws
Daily, weekly, or monthly draws held over a specific calendar period
- Catch the Ace/Progressive Raffles
Card-based multi-week progressive jackpot draws

Application requirements

- Completed [Raffle Lottery Application](#)
- [A sample raffle ticket](#)
- [Rules of play](#)
- A list of secured prizes and their retail value including taxes
- Receipt and/or invoice for any prize over \$500
- Two independent certified appraisals for antique, art or jewellery prizes
- A copy of all advertising for the raffle event
- A detailed ticket sales plan, including where, when and how sales will take place
- Letter of Credit or certified cheque payable to City of Vaughan
(if total prize value is over \$10,000)
- Lottery licence fee paid out of the lottery trust account for 3% of the total prize value
- Review the [Raffle Licence Terms and Conditions](#) and the [General Terms and Conditions of Lottery Licences](#) by the AGCO



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Catch the Ace Raffle Lottery Licence

Catch the Ace is a progressive raffle lottery in which participants purchase tickets for a chance to win weekly cash prizes, while also drawing from a deck of cards for an opportunity to reveal the Ace of Spades and claim the growing jackpot.

Application requirements:

- Completed [Raffle Lottery Application](#)
- Sample ticket
- Letter of Credit or certified cheque payable to City of Vaughan (if total prize value is over \$10,000)
- A raffle management plan and budget for the raffle lottery;
- A detailed ticket sales plan, including where, when and how sales will take place
- Proposed draw schedule and sales plan outlining the maximum sales and prizes per draw to ensure the cumulative prizes do not exceed \$50,000 for the licence period
- Rules of Play and an exit strategy
- Lottery licence fee paid out of the lottery trust account for 3% of the total prize value
- Review the [Catch the Ace Guide](#), [Raffle Licence Terms and Conditions](#) and the [General Terms and Conditions of Lottery Licences](#) by the AGCO

Bazaar Gaming Event Lottery Licence

A bazaar is an event for charity, such as a rummage sale or a fundraiser. These events can include any combination of a:

- Raffle not exceeding \$50,000 in prizes
- Bingo not exceeding \$5,500 in prizes
- Maximum of three wheels of fortune with a \$2 maximum bet

Application requirements

- Completed [Application to Conduct a Lottery Type Scheme at a Bazaar](#)
- Except for penny raffles, a complete list of the prizes to be awarded for each game
- A detailed description of the manner in which the winner will be determined for each game
- Copy of ticket
- Letter of Credit or certified cheque payable to City of Vaughan (if total prize value is over \$10,000)
- Copy of any advertisements for event
- Review the [Bazaar Licence Terms and Conditions](#) and the [General Terms and Conditions of Lottery Licences](#) by the AGCO



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Blanket Raffle Lottery Licence

A blanket raffle lottery licence allows an eligible non-profit or charitable organization to run multiple smaller raffle events under a single permit over a set period for up to one year. The licence can cover a combination of stub draws, elimination draws, 50/50 draws, meat spins/turkey rolls or "name the raffle" lotteries that are held from one location.

The total combined prize board for all events under a municipal blanket raffle licence issued by the City of Vaughan cannot exceed \$50,000 and paper tickets are used.

Application requirements:

- Completed [Blanket Raffle Licence Application](#)
- Types of raffle lottery events to be conducted during the period;
- The number of raffle events to be held;
- The total number of tickets to be printed for each individual raffle, and the total value of all tickets printed for each event;
- The cost per ticket for each event
- Location where events will take place
- Scheduled dates for each raffle event to be held
- Detailed explanation of the rules for each type of raffle event
- Description of all prizes to be awarded and the approximate total retail value of all prizes to be awarded for each raffle event
- Total value of all prizes to be awarded for the period
- Letter of Credit or certified cheque payable to City of Vaughan (if total prize value is over \$10,000)
- Lottery licence fee paid out of the lottery trust account for 3% of the total prize value
- Review the [Raffle Licence Terms and Conditions](#) and the [General Terms and Conditions of Lottery Licences](#) by the AGCO

Bingo Lottery Licence

The City of Vaughan issues a bingo licence or permit for bingo events with prize boards of up to \$5,500. If your event uses paper sheets or cards, whether it's in a bingo hall or your own location, you need a licence regulated under the AGCO.

If your event takes place in a eGaming centre using electronic touchscreens, you need a permit regulated under the Ontario Lottery and Gaming Corporation (OLG).

Application requirements

- Completed [Bingo Lottery Application](#)
- A game schedule outlining:
 - Bingo games to be played;



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- Winning arrangement of numbers for each game;
 - Value of the prize for each game;
 - Minimum and maximum payouts for variable prize games, also known as “share the wealth” games, including any Table Board Bingo games;
 - Set percentage used to calculate the variable prizes for the individual Table Board Bingo games; » the price of the bingo paper, if applicable;
 - Total value of all prizes offered for the bingo event;
 - Name and address of the premises where the bingo event is to be held;
 - Any special purchase provisions for used bingo paper exchanged for new paper (for example, \$0.25 instead of \$0.50); and
 - Starting and ending time for the time slot for the licensed Regular Bingo event, and any bingo games played in conjunction with it, including the fixed time slot for any Table Board Bingo games.
- Letter of Credit or certified cheque payable to City of Vaughan (if total prize value is over \$10,000)
 - Lottery licence fee paid out of the lottery trust account for 3% of the total prize value
 - Review the [Bingo Licence Terms and Conditions](#) and the [General Terms and Conditions of Lottery Licences](#) by the AGCO

What happens if an organization doesn't follow the lottery licensing rules?

Advertising, promotion, selling of tickets, or conducting a charitable gaming event without a licence is illegal. Activities are regulated by the Criminal Code of Canada, section 206 & 207, Ontario Order in Council 1413/08, Gaming Control Act, 1992 and Regulations.

Failure to comply with lottery licensing requirements may result in enforcement action, including the suspension, cancellation, or refusal of a lottery licence. This can occur if an organization breaches licence terms and conditions, fails to submit required financial reports, does not conduct the lottery in accordance with applicable laws and regulations, or where it is deemed to be in the public interest. Non-compliance may also affect the organization's eligibility for future lottery licences. Depending on the circumstances, the City of Vaughan may alert the AGCO or police if it is a serious breach of regulations.

The Alcohol and Gaming Commission (AGCO) is responsible for administering the lottery licensing program in the province of Ontario. All authority to licence gaming activity flows from the provisions in the Criminal Code of Canada. Municipalities are partners with the AGCO and have the ability to approve certain lottery events.



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What are the reporting requirements for a lottery licence?

Within 30 days of the lottery end date, the organization must submit the appropriate AGCO lottery report and supporting documentation and information to the City of Vaughan, including, but not limited to:

- Name of winner(s) with contact information
- Copy of posts or advertisements announcing the winner(s)
- Copy of bank receipts or statements indicating deposit of lottery proceeds and withdrawal of any expenses
- Invoices or receipts for lottery expenses
- Electronic Funds Transfer (EFT) confirmation receipts, if applicable
- Cheque images (front and back) cleared by the financial institution, if applicable

Lottery reports can be submitted by email to bylaw@vaughan.ca or by mail in person to By-law and Compliance, Licensing and Permit Services, Vaughan City Hall, 2141 Major Mackenzie Drive, Vaughan ON L6A 1T1.

New lottery licence applications will not be considered until all reporting requirements for the organization's previous licence have been satisfied.

AGCO Lottery Report forms:

[Lottery report](#)

[Break open ticket lottery report](#)

[Blanket raffle lottery report](#)

[Bingo lottery report](#)

[Catch the Ace raffle report](#)

Where can I find out more information or ask questions?

For more information:

- Visit www.vaughan.ca/lottery
- Visit the Alcohol and Gaming Commission of Ontario website www.agco.ca
- Contact By-law and Compliance, Licensing and Permit Services:
Email: bylaw@vaughan.ca
Phone: 905-832-2281
By mail or in person: Vaughan City Hall
2141 Major Mackenzie Drive, Vaughan ON L6A 1T1



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