

Charitable and Not For Profit Advertising (Gambling and Games of Chance)

BINGO, RAFFLES & OTHER CHARITABLE GAMES The following information clarifies the status of all advertising involving monetary "consideration" on the part of the ad reader. The Charity Games Advertising Clarification Act went into effect on May 7, 1990 and removed the mailing restrictions on newspapers carrying advertisements for bingo and other games run by non-profit organizations. Any organization that qualifies as a non-profit organization under any part of section 501 of the IRS Code may advertise games of chance. Games of chance include bingo, blackjack, casino games or anything similar. The type of game is not restricted under the law, just the organization conducting it. Under federal law a business may also advertise a game of chance if it is an occasional promotional activity that is ancillary to the primary business. **Illinois law does not allow for the occasional promotion only registered non-for-profits may conduct games. Illinois law does, however, allow advertising for the state lottery and other legal forms of gambling.** The IPA contacted the Office of the Illinois Attorney General (AG) in order to check for any state laws that may interfere with, or need to be considered, in conjunction with the federal law. According to the AG's office, Illinois newspapers now have the green light for all not-for-profit advertisers registered with the state under the Charitable Games Act.

Links:

Charitable Games Act:

<http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=1403&ChapAct=230%26nbsp%3BILCS%26nbsp%3B30%2F&ChapterID=25&ChapterName=GAMING&ActName=Charitable+Games+Act%2E>

Raffles Act:

<http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=1400&ChapAct=230%26nbsp%3BILCS%26nbsp%3B15%2F&ChapterID=25&ChapterName=GAMING&ActName=Raffles%20Act>

Pull Tabs and Jar Games Act:

<http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=1401&ChapAct=230%26nbsp%3BILCS%26nbsp%3B20%2F&ChapterID=25&ChapterName=GAMING&ActName=Illinois+Pull+Tabs+and+Jar+Games+Act%2E>

Bingo License and Tax Act:

<http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=1402&ChapAct=230%26nbsp%3BILCS%26nbsp%3B25%2F&ChapterID=25&ChapterName=GAMING&ActName=Bingo+License+and+Tax+Act%2E>

GAMES OF CHANCE/GIVE AWAYS The following explains promotional advertising that requires the public to pay a fee to be eligible to participate and win either money or merchandise. These types of promotions are **not legal**. Games of chance that require the public to spend money in order to have a chance to win something are considered gambling and are not legal in Illinois. The only exceptions to this law

are certain not-for-profit organizations that are registered with the state, the Illinois lottery and the state licensed gambling boats. That is it. Any other promotion that results in the awarding of prizes or money must be open to the public, with no purchase necessary. **Example:** A newspaper cannot give away a free trip to Florida to some lucky new subscriber. The newspaper can give away a free trip to Florida to anyone who wants to register to win the trip. The difference is that the latter does not require the expenditure of any money in order to be eligible to win the trip. The same thing is true for newspaper advertising promotions. Meaning, a newspaper cannot solicit the public to run an ad in any special promotion with the enticement of winning a prize. The newspaper can solicit the public to run an ad in a special promotion that offers a prize, but anyone wishing to enter to win must be given the opportunity to do so, even if they have not run an ad in the special promotion.