



Town of Huntsville

Licensing Information & Application Checklist

PLEASE READ CAREFULLY

What is considered a Lottery?

In simple terms, a lottery scheme may be defined as any scheme which has the following three components: a prize; a chance (to win the prize); and a consideration or fee.

Therefore, a lottery scheme exists if money is paid or some other consideration is given for a change to win a prize.

There are many types of lottery schemes for which licenses are not available. The Town of Huntsville Licensing Office will confirm whether or not a licence is available for a proposed lottery scheme. If the proposed event is one for which a lottery licence is available, the organization must apply for a lottery licence. The organization is responsible for ensuring that all its schemes are operated legally.

Who may qualify for a Lottery Licence?

To be eligible for a lottery licence, an applicant must qualify either as an eligible charitable organization or as a non-profit organization with charitable purposes or objects.

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:

- a) The relief of poverty;
- b) The advancement of education;
- c) The advancement of religion;
- d) Other charitable purposes beneficial to the community.

Types of events municipalities may issue:

- a) Bingo events with prize boards of up to \$5,500.00;
- b) Raffles with prizes of up to \$50,000.00;
- c) Break Open Ticket events that are not conducted in conjunction with another event, and where the tickets are sold within the municipality;
- d) Bazaar gaming events; and
- e) Media Bingo.

PLEASE NOTE: Although municipal authority to issue lottery licenses has been granted by the Order-in-Council, along with additional approval to develop documentation for licensing purposes, it is with the policies and manuals established by the Alcohol and Gaming Commission of Ontario. Therefore the Town of Huntsville Licensing Office is bound by the guidelines and procedures set out by the Alcohol and Gaming Commission of Ontario in determining organization eligibility and issuance of lottery licenses.

Applicant Requirements

1. First time applicants **must** submit the following documentation 45 days in advance for processing along with their application. Previously approved applicants must submit their applications 3 weeks in advance for processing and items marked “yearly” below on an annual basis.

Documents Required:	Where to Find:	Submitted:
1. Application for Licensing Eligibility	Town of Huntsville	When applying
2. Board of Directors List – Current	Organization	Yearly
3. Bylaws	Organization	When applying or changes
4. Constitution	Organization	When applying or changes
5. Financial Statement (for previous fiscal year)	Organization	Yearly
6. Incorporated Papers (Letters Patent)	Ministry of Consumer & Commercial Relations 1-800-361-3223	When applying or changes
7. Notification of Charitable Registration (if applicable)	Canada Revenue Agency 1-800-267-2384	When applying or changes
8. Operating Budget (current)	Organization	Yearly
9. Outline of Charitable Programs / Services Provided & Specific Costs in Delivery	Organization	Yearly
10. Proposed Use of Lottery Proceeds	Organization	Yearly
11. Registered Charity Information Return & Public Information Return – most recent (if applicable)	Canada Revenue Agency 1-800-267-2384	Yearly

2. The lottery licence application must be fully completed with full mailing address and daytime contact telephone numbers.
3. The total value of all prizes to be awarded is based on the retail market value (including taxes). This also includes prizes that have been donated.
4. The fee for a lottery licence is 3% of the total value of the prizes or cash to be awarded.
5. Each signature which appears on the application must be a bona fide member of the organization and on the Board of Directors / Committee and be authorized to make the licence application on behalf of the organization.
6. The proceeds raised from the lottery event must benefit the community of Huntsville or the residents of Ontario.
7. Raffles – The total retail market value of the prizes to be awarded must not be less than 20% of the total value of all tickets printed.
8. Each applicant, or anyone who is taking responsibility for conducting the lottery event, must read, and fully understand and agree to the Terms and Conditions (set out by the Alcohol and Gaming Commission of Ontario) relating to the type of lottery scheme conducted. Please note that it is an offence under the Gaming Control Act and the Criminal Code of Canada to conduct a lottery event outside of the Terms and Conditions under which the licence was granted.

9. Attached with all Break Open Ticket applications must be a copy of the Agreement to Sell Break Open (Nevada) Tickets.
10. Once the application has been approved and a licence issued, the Licensing Officer will telephone the applicant for the pickup. If requested, licenses may be mailed if time permits as all licenses must be posted at the event.

Financial Requirements

1. Each applicant must open and maintain a separate lottery trust account, designated as a trust account by the branch of a recognized financial institution, in the Province of Ontario and submit proof of such account to the Licensing Office at the Town of Huntsville. The lottery trust account must be in Canadian Funds. If the licensee conducts more than one type of lottery event, it may hold either one designated lottery trust account for all lottery proceeds (provided the licensee keeps a separate ledger for each type of lottery event and for each licence issued), or a separate designated lottery trust account for each type of lottery. The licensee must keep all records for a minimum of four years and ALL expenses must be paid directly by cheque from the lottery trust account(s).

The trust account must:

- be a chequing account;
 - require at least 2 authorizing signatures;
 - be held in the name of the licensee, in trust;
 - have duplicate deposit slips, with one copy kept for the licensee's records;
 - issue monthly statements; and
 - return cancelled cheques with the monthly statement.
2. An irrevocable letter of credit (valid for a minimum of 45 days after the last day of the lottery event specified on the licence) from a recognized financial institution in Ontario payable to the Town of Huntsville will be required when prizes total a value of \$10,000.00 or more.

Reporting Requirements

1. After the lottery event has ended, it is up to the applicant to submit the required reports to the Town of Huntsville's Licensing Office. All reports must be filled out completely. Only original signatures will be accepted. Future Lottery Licenses will **not** be issued if there are outstanding reports. Reports must be submitted within:
 - Bingo – 15 days after each event has ended.
 - Break Open Ticket – 30 days after the event has ended.
 - Raffle – 30 days after the event has ended.

Contacts

For further inquiries please contact the Town of Huntsville at 37 Main Street East, Huntsville, ON P1H 1A1, fax 705-789-6689, www.huntsville.ca, email: customerservice@huntsville.ca

Licensing Officer: By-law 705-789-1751, ext. 3039 & 3041

Or for further information, contact: Alcohol and Gaming Commission of Ontario, Gaming Registration & Lotteries, 90 Sheppard Avenue East, Suite 200, Toronto, ON M2N 0A4, 416-326-8700 or toll free 1-800-522-2876. www.agco.on.ca