Questions and Answers about Small Games of Chance

Q: Who is eligible for Small Games of Chance licenses?
A: Charitable, religious, fraternal, or veterans organizations: a club, civic and
service association, or an affiliated non-profit organization of a major league
sports team. Ex: Booster clubs, Little League, Midget football.

Q: Can an auxiliary group get a SGOC license?
A: No. However they may conduct small games of chance using the license of their
parent organization as long as the group is listed on the eligible organizations
application.

Q: What are the legal SGOC types of gambling in Pennsylvania.?
A: The Pennsylvania Local Option Small Games of Chance Act allows the following

- Pull-tab games
- Punchboards
- Raffles, including raffle auctions and special permit raffles
- Daily and Weekly drawings
- 50 – 50 drawings, including major league sports drawing
- Race night games obtained from distributors licensed with the department
- Pools, Excluding sports pools, which are prohibited by federal law

Q: Are the prices for the licenses still the same?
A: No. The regular yearly license has increased to $125. The limited occasion license
has been eliminated and replaced with a monthly license that costs $25.
Q: How does a monthly license work?
A: The license is valid for 30 consecutive days from the date of issuance. There is no restriction on the number of monthly licenses an eligible organization can obtain, however they cannot overlap.

Q: Are Special Raffle permits still available?
A: Yes. They are available to regular and monthly licensees and are $25.00.

Q: What is a Special Raffle permit?
A: The special raffle permit authorizes a holder to conduct a raffle that exceeds the normal prize limits applicable to SGOC. Total prizes awarded under a special raffle permit may not exceed $150,000. Eligible organizations can obtain 10 special permits. Volunteer fire, ambulance, rescue or conservation organizations may obtain up to 12 special permits and can award up to $250,000.

Q: Can daily and weekly drawings be operated at the same time?
A: Yes. Concurrent operations of Daily and Weekly drawings is not prohibited. Also, daily and weekly drawing are permitted to be purchased immediately following the preceding drawing.

Q: What are the prize limits for weekly and daily drawings?
A: Individual- $2,000.
Aggregate- $35,000. weekly where such prize is a carry-over.
Raffle prize limits monthly- $15,000

Q: Are background checks still required?
A: No

Q: What types of records are we required to report?
A: Annual reporting is no longer required for most eligible organizations. **Club licenses are still subject to reporting.** All club licenses with proceeds in excess of $20,000 in a calendar year are required to submit annual reports to the Department of Revenue by Feb. 1, for the proceeding calendar year. Eligible organizations are required to keep a record of the name and address of the winner and provide the winner with a receipt of the value of the prize when the prize exceeds $600.00. W-2G forms are available at:

Q: What kind of records are we required to keep?
A: The Pennsylvania State Police Bureau of Liquor Control Enforcement makes available record keeping tools on their website. Record-keeping requirements are
different for Clubs and Eligible organizations. Records would also depend on whether a club has proceeds in excess of $20,000 in a calendar year.

Q: If the premises that I am leasing has a SGOC license can I use my SGOC license at the same location?
A: Yes. Up to and no more than three licensees, including the licensee that owns or leases the premises, may conduct small games of chance simultaneously at a premises or location.

Q: Can I take my SGOC license off premise?
A: Yes. The license holder must send a letter to the Treasurer’s office and also to the District Attorney’s office notifying them that you will be taking the license off the premises. You will be permitted to sell raffle tickets and 50/50 tickets only.

Q: What is the new split of proceeds?
A: The new split is 60/40 with 60% for public interest purposes and 40% for club expenses. The new 60/40 split and $20,000 deduction applies to the 2014 Calendar year and years thereafter.*

DISCLAIMER

This article is for informational purposes only. Nothing herein should be considered legal advice. Any person or entity with legal questions regarding the Local Option SGOC should review the provisions of the Act for guidance or consult private legal counsel. The website for more detailed information is www.revenue.state.pa.us/SGOC

Tavern gaming licenses must be obtained from the Pennsylvania Liquor Control Board. (PLCB).

*If a club licensee has games of chance proceeds of $40,000 or less during a calendar year, then in the following calendar the club licensee may use the first $20,000 of it’s proceeds for club expenses in addition to the 40 percent.