

RAFFLES AND OTHER GAMES OF CHANCE

The UA Foundation only accepts funds which may be classified as philanthropic according to IRS and accounting standards. [IRS publication 526](#) specifically outlines raffles are not permitted.

Contributions From Which You Benefit May Not Be Deducted

If you receive or expect to receive a financial or economic benefit as a result of making a contribution to a qualified organization, you cannot deduct the part of the contribution that represents the value of the benefit you receive.

- Costs of raffles, bingo, lottery, etc. You cannot deduct as a charitable contribution amounts you pay to buy raffle or lottery tickets or to play bingo or other games of chance. For information on how to report gambling winnings and losses, see *Deductions Not Subject to the 2% Limit* in Publication 529.

In addition:

- Raffles are against the law in Arkansas except under strict guidelines (buy a license, create a separate raffle account, pay taxes on it, etc).
- As such, employees (AAA Staff) and agents (chapters/leaders) of the State of Arkansas (the University) are not permitted to operate much less raise money via an illegal activity.

What this means for alumni volunteers:

- Gift services will not approve raffles for the purpose of fundraising
- Gift Services won't accept any donations that they reasonably believe were raised through a raffle. So, even if you ran a raffle and deposited it into your checking account with the intent to write a check from the chapter to the scholarship account, it's likely that gift services would not accept that donation.