Illegal Lotteries

Frequently Asked Questions

1. **What is an illegal Lottery?**
   Any game of chance (fundraising raffles, competition) not authorised by the Commission.

2. **Types of illegal lotteries**
   - Fundraising competition conducted by a registered society (society in terms of section 41 of the Lotteries Act) without authorisation of the Commission
   - Fundraising competitions conducted by non-profit organisations without the approval of the Commission
   - Competitions (other than promotional competitions) conducted by profit-making companies for financial and/or commercial gain
   - Competition conducted by individuals for private financial gain
   - Competitions conducted by profit-making companies for the benefit of non-profit organisations without the authorisation of the Commission
   - Fahfee (also known as *mochaina*)
   - Scams received via sms, phone calls, emails and letters; and
   - Lotteries conducted outside the Republic that may also be accessed via internet (prohibited in terms of section 59 of the Lotteries Act).
3. What are the consequences of running or participating in an illegal lottery?

Any person, who participates in or conducts, facilitates, promotes or derives any benefit from an illegal lottery, shall be guilty of an offence. Any person convicted of running an illegal lottery shall be liable to a fine or imprisonment or both.

4. What is the impact of illegal lotteries on the National Lottery?

The National Lottery contributes 25% of the funds raised to the National Lottery Distribution Trust Fund (NLDTF), which is distributed to good causes. Illegal lotteries do not contribute to the NLDTF, impacting the amount of revenue collected for good causes.

5. How to avoid illegal lotteries?

To ensure that one is not participating in or conducting an illegal lottery, one must verify such competitions with the National Lotteries Commission prior to part taking or making arrangements to conduct any competition or scheme.

6. Where can I obtain more information on lotteries?

Information is available from the following sources on the NLC website, www.nlcsa.org.za:

- Lotteries Act 57 of 1997, as amended
- Private Lotteries Regulations (No.R.414)
- Society Lottery Regulations (No.R.415)
- Lotteries Incidental to Exempt Entertainment Regulations (No.R.413)

For more information, please contact the Compliance Division of the National Lotteries Commission at 012 432 1300 OR via email at: compenforce@nlcsa.org.za