



Episcopal Diocese of Massachusetts

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Policy on Games of Chance in Churches

The Office of the Bishop strongly discourages the use of games of chance as a means of fundraising in the church. Events which invite a spirit of generosity and sacrifice are more in keeping with our values and message than fundraising which relies on the prospect of individual, personal gain as motivation for giving.

It is recognized, however, that local congregations will sometimes choose to hold these events. In such circumstances, be aware that churches are not exempt from the local, state and federal regulations pertaining to games of chance. Minimum considerations include:

1. There are permitting and filing requirements in every local city/town.
2. You must file a “Raffle and/or Bazaar Tax Return” with the Massachusetts State Lottery Commission and pay a 5% tax on the gross receipts from sales during the event.
3. You must adhere to the IRS guidelines found in “Tax-Exempt Organizations and Gaming” (Publication #3079) and provide appropriate reporting to the IRS (Form W-2G) and to the person(s) receiving any winnings if the amount paid is \$600 or more OR at least 300 times the amount of the wager. The congregation is strongly urged to obtain and carefully digest this publication which is available on the IRS website.