

## Lodge Fundraising Guidelines

5/18/2018

**What is a Fundraiser** – Any event held by a Lodge or other Masonic group that accepts money from or involves participation of the public or any profane.

**Who must apply for Permission to hold a Fundraiser** - All lodges and any other group not approved as an Appendent Body, or any group using Mason or Masonic in their name or in advertising, must have fundraiser approval from the Commission on Subordinate Lodges Special Activities. York Rite Bodies, Scottish Rite Valleys, Shrine, Grotto, York Rite College, etc would not be subject to this approval process because they are appendant bodies and have their own regulations and by-laws. Masonic Temple Companies would be subject to this requirement.

**When must application be filed** – According to Reg 43-12 of the Code, under the following conditions: all lodges and any other group not approved as an Appendent Body must submit an application and receive prior approval from the Commission on Subordinate Lodges Special Activities before the fundraising activity commences; upon completion of an approved fundraiser a final report must be submitted within forty-five (45) days. It is important that if any late or additional donations are received, relative to an approved fundraiser and after its completion, a supplemental updated final report must be sent to the Commission to make certain that all reporting of revenues reconcile with year-end revenue reports.

**Fundraisers to raise money for lodge use** – A lodge may apply to hold an event to raise money for a specific use at the lodge. This money can be used to repair the lodge building or make additions or improvements to the lodge. The event cannot be used to pay the normal operating expenses of the lodge; these must be covered by the dues of a lodge. The use of the money must be stated in the application to the committee and must be clearly stated on any advertising. Raffles **CAN NOT** be used for this purpose; all proceeds from a raffle must go to charity.

**Additional Information** – For additional information, refer to the Chapter 43 of the CODE.

### NOTES:

**MORI will accommodate separate segregated funds/bank accounts. The MORI system will generally accommodate and fill certain reporting requirements from the IRS accounting/recording of charitable gifts/donations and will offer a paper-trail necessary to satisfy federal and state regulatory reporting.**

**Golf Tournaments** where money is for Lodge use--All advertisers, sponsors and participants are to be made aware this is not a charity event, and is **NOT** tax deductible.

**Raffles: The holding or sponsoring by a lodge of lotteries, game of chance, gambling, or any activities which would discredit masonry, for any purposes, is prohibited. A raffle may be held as follows:**

**A. Raffles shall be conducted within the conformity to North Carolina State Laws except that cash prizes shall not be permitted.**

**B. No raffle shall be conducted without prior written approval by the Commission on Subordinate Lodge Special Activities.**

**Raffles** with a prize value exceeding reported winnings requirements (see general instructions on W2-G forms), the **Lodge, where applicable, must supply a W-2G to the winner.** File Form W-2G, Certain Gambling Winnings, to report gambling winnings and any federal income tax withheld on those winnings. The requirements for reporting and withholding depend on the type of gambling, the amount of the gambling winnings, and generally the ratio of the winnings to the wager. File W-2G with the IRS. You must provide a statement to the winner (Copies B and C of Form W-2G).

Raffle advertising should include, **“winners are responsible for all applicable Taxes, Titles, Fees and Licenses.”**

**Gun Raffles: Recommendation, "Do not include AR type firearms or other military type firearms, in Masonic gun raffles". "Military type firearms" include (in addition to AR type firearms) the semi-automatic versions of firearms which were originally designed for military or police use, such as: the AR-15; AK 47; MP 5; Uzi; Thompson sub-machine gun; TAVOR (and other "bullpup" firearms); SKS and/or military/assault others, etc. These firearms usually have pistol grips and usually are supplied with high capacity magazines.**

**If a particular lodge has a question or concerns about the type of firearm to be offered/ advertised in a proposed Gun Raffle, they should contact the Chairman of the Commission on Subordinate Lodges Special Activities for further clarification.**

**Good Practices:** Winners should receive a gift card in the amount of the firearm that he/she has won. The winner may use the gift card for that firearm, or apply the amount to the purchase of another gun (which could be a type-change if the winner so chooses).

## **Summary—Reg. 43-12 and Guidelines**

- **REG. 43-12 SUMMARY:**
- **All fundraisers** must receive approval by Commission on Subordinate Lodges Special Activities. No longer are lodges allowed a “first” fundraising without approval—**all fundraisers must be approved.**
- The lodge keeps careful financial records of the project and a **report filed** with the Commission on Subordinate Lodges Special Activities within **45 days of its completion.**
- A subordinate lodge desiring to conduct **any fundraising activity for its own benefit** shall first submit an **application detailing** the planned project and purpose.
- **Any project without obtaining prior approval** when required or in a manner other than allowed by this regulation or who shall divert funds for other than the stated purpose, shall be required to show cause why its charter should not be

arrested.

- A lodge conducting any fundraising activity shall **complete** that activity within one hundred and **twenty (120) days of beginning the project**.
- No **raffle** shall be conducted without **prior written approval**; **all proceeds** from a **raffle** must go **to charity**.

· **GUIDELINES SUMMARY:**

- **No Cash Prizes**—gift cards are acceptable.
- All lodges and Masonic Temple Boards **must receive prior approval** for any fundraising activity.
- A lodge may apply to hold an event to raise money for a **specific use** for the lodge building; Raffles **CAN NOT** be used for this purpose.
- **Raffles**, where a prize value exceeds reported winnings requirements, the **Lodge must supply a W-2G to the winner**.