

CHAPTER 57

LOTTERIES

Ordinances Nos. 8 of 1844,
3 of 1883,
6 of 1944.

Acts Nos. 2 of 1954
27 of 1958.

AN ORDINANCE FOR THE SUPPRESSION OF LOTTERIES.

[10th July, 1844.]

- 1.** This Ordinance may be cited as the Lotteries Ordinance.
- 2.** All unlicensed lotteries, under whatsoever denomination or pretence they shall be set up, carried on, or kept, shall be deemed and are hereby declared to be common nuisances and against law.
- 3.** Every person who promotes or conducts any unlicensed lottery shall be guilty of an offence.
- 4.** If any person shall draw, or cause to be drawn, any ticket or chance in any unlicensed lottery or shall by playing, throwing, or in any other way whatsoever, endeavour to win or obtain any prize in, or to derive any benefit for himself or for any other person from any unlicensed lottery, every such person shall be guilty of an offence.
- 5.** If any person shall, within Sri Lanka, sell, deliver, or dispose of, purchase, or wilfully receive any ticket or chance in any unlicensed lottery promoted or conducted in Sri Lanka or in any lottery promoted or conducted outside Sri Lanka, every such person shall be guilty of an offence.
- 6.** If any person shall under any pretence, device, or description whatsoever, agree to pay any sum, or deliver any goods, or to do or forbear doing anything for the benefit of any person, whether with or without consideration, on any event or contingency relative or applicable to the drawing, winning, or obtaining of any ticket or chance in any unlicensed lottery, or shall make, print, or publish any proposal, under any denomination, name, or title whatever, for "any of the purposes aforesaid, every such person shall be guilty of an offence.
- 7.** If any person shall keep or use any premises or place or knowingly permit any premises or place to be kept or used, for any purpose connected with any unlicensed lottery promoted or conducted in Sri Lanka or any lottery promoted or conducted outside Sri Lanka, every such person shall be guilty of an offence.
- 8.** (1) Licences to promote or conduct lotteries may, in accordance with the provisions of this Ordinance, be issued by the Minister in his discretion after consultation with the Inspector-General of Police.
- (2) A licence to promote or conduct any lottery is hereinafter referred to as a "lottery licence", and a lottery licence to promote or conduct any lottery or lotteries in connection with any horse-race or horse-races is hereinafter referred to as a "horse-race lottery licence".
- (3) A horse-race lottery licence may authorize the licensee to promote or conduct a lottery in connexion with—
- (a), a specified horse-race in any specified year or in every year, or
 - (b) each of a specified number of any horse-races in any specified year or in every year, or
 - (c) any horse-race at a specified race-meeting in any specified year or in every year, or
 - (d) any horse-race at every race-meeting held by a specified racing club in any specified year or in every year.

Lottery licences may be issued to societies.

9. (1) A licence to promote or conduct any kind of lottery may be issued to a society upon application duly made in that behalf and upon payment of the prescribed fee.

(2) No lottery licence issued to a society shall authorize the promotion or conduct of more than one lottery.

Only horse-race lottery licences may be issued to racing clubs.

10. (1) A horse-race lottery licence may be issued to a racing club upon application duly made in that behalf and upon payment of the prescribed fee.

(2) No lottery licence other than a horse-race lottery licence shall be issued to a racing club.

Applications for lottery licences.

11. Every application by a society or racing club for a lottery licence—

(1) shall be made in writing to the Minister through the Secretary;

(2) shall state the name and address of the society or club, the governing body thereof, and the name and address of each member of such body;

(3) shall, if the application is for a horse-race lottery licence—

(a) specify the number of lotteries proposed to be promoted or conducted, and

(b) state—

(i) where the number of lotteries is one, whether the lottery is to be promoted or conducted in any specified year or in every year and the horse-race in connection with which the lottery is to be so promoted or conducted and the country in which that race will be run;

(ii) where the number of lotteries is more than one, whether the lotteries are to be promoted or conducted in any specified year or in every year and the number of horse-races in connection with each of which

a lottery is to be so promoted or conducted and the country in which each such race will be run and, if any such race is to be run in Sri Lanka, the racing club holding the race-meeting at which that race will be run;

(4) shall give full particulars relating to the lottery or each lottery to be promoted or conducted, and in particular—

(a) shall state the price at which every ticket or chance is to be sold;

(b) shall, if the applicant is a society, state whether tickets or chances are to be sold only to members of the society or are to be sold to the public;

(c) shall state the number of prizes which are to be offered in the lottery or in each lottery, and as respects each such prize—

(i) shall state whether the prize will be donated by any person for the purposes of the lottery in which the prize is to be offered, and, if the prize will not be so donated, whether or not the cost of providing or purchasing the prize is to be a charge on the proceeds of the lottery; and

(ii) shall, if the prize is a money prize, state its value by reference either to a specified sum or to a specified proportion of the proceeds of the lottery; or

(iii) shall, if the prize is not a money prize, state the nature and value of the prize;

(d) shall state whether or not the expenses (other than the costs of providing or purchasing prizes) incurred in the promotion or conduct of the lottery are to be a charge on the proceeds thereof;

- (e) shall state the purpose or purposes to which the proceeds of the lottery or of each lottery are to be applied after deducting such costs and expenses as are stated in the application to be a charge on those proceeds; and
- (f) shall state the date on which the lottery or each lottery is to be drawn.

- (7) a notice stating the number of each winning ticket or chance in every such lottery and, if known, the name and address of the winner thereof shall, forthwith after the result of the lottery is known, be published by the licensee in a Sinhala daily newspaper, a Tamil daily newspaper and an English daily newspaper circulating in Sri Lanka, and copies of such notice shall be sent by the licensee to the Secretary and to the Inspector-General of Police:

Secretary may require applicants for lottery licences to furnish information and documents.

12. The Secretary, may direct the applicant for any lottery licence to furnish all such information and documents as the Secretary may deem necessary - for the purpose of enabling the Minister to dispose of the application, and it shall be the duty of the applicant to comply with that direction.

Provided, however, that where the licensee is a society and the sale of tickets or chances in the lottery is restricted by the lottery licence to members of that society, the notice aforesaid shall, instead of being published as provided by the preceding provisions of this paragraph, be exhibited by the licensee on the premises of the society and copies of such notice shall be sent by the licensee to the Secretary and to the Inspector-General of Police;

General conditions applicable to lottery licences.

13. Every lottery licence shall be subject to the following conditions;—

- (1) no written notice or advertisement of a lottery promoted or conducted under the authority of such licence shall in any material particular be inconsistent with or repugnant to any provision of such licence or any statement in the tickets issued in respect of such lottery;
- (2) no ticket or chance in any such lottery shall be sold or offered for sale at a price exceeding such price as may be specified in such licence;
- (3) the price of every ticket or chance in any such lottery shall be the same, and the price of every such ticket shall be stated on the ticket;
- (4) every ticket in any such lottery shall bear on the face of it the name of the licensee;
- (5) no ticket or chance in any such lottery shall be sold or offered for sale outside Sri Lanka ;
- (6) every such lottery shall be drawn on such date as may be specified in such licence or on any other date to which it may be postponed by the Secretary for good reasons upon application made in that behalf by the licensee;

- (8) the proceeds of every such lottery, less the deductions permitted by paragraph (9), shall be applied by the licensee to such purpose or purposes as may be specified in such licence, and proof that such proceeds have been so applied shall be furnished by the licensee to the satisfaction of the Secretary within such period after the draw of the lottery as may be so specified ;
- (9) the following amounts may be deducted from the proceeds of every such lottery:—
 - (a) as expenses of the lottery an amount not exceeding such sum or such proportion of the proceeds of the lottery as may be specified in such licence;
 - (b) an amount equal to the total value of such money prizes in the lottery as are provided out of the proceeds of the lottery;

- (c) an amount equal to the total actual cost or value of such other prizes in the lottery as have not been donated by any person for the purposes of the lottery; and
 - (d) any lottery tax payable under this Ordinance;
- (10) proper books of account relating to every such lottery shall be kept by the licensee and such books and all other documents relating to the lottery shall be made available by the licensee at all reasonable times for the inspection of any officer authorized in that behalf by the Secretary or the Inspector-General of Police throughout the period of the promotion or conduct of the lottery and for a further period of twelve calendar months reckoned from the date of the draw of the lottery;
- (11) a statement of accounts relating to every such lottery duly audited and certified by an accountant shall, within such period reckoned from the date of the draw of the lottery as may be specified in such licence, be furnished by the licensee to the Secretary and to the Inspector-General of Police; and
- (12) such other conditions as the Minister may deem fit to insert in such licence, including, in any case where the licensee is a society, a condition restricting the sale of tickets or chances to members of that society.
- 14.** A horse-race lottery licence shall, in addition to the conditions specified in section 13 or imposed thereunder, be subject to the following further conditions:—
- (a) every prize in any lottery promoted or conducted under the authority of such licence shall be a money prize;
 - (b) where any such lottery is in connection with a horse-race to be run outside Sri Lanka or in connexion with a horse-race at a race-meeting in Sri Lanka which is not held by the society or racing club to which such licence has been issued, no ticket or chance in the lottery shall be issued, distributed, sold or offered for sale, by any person who is not a member of, or is not authorized in writing in that behalf by, such society or racing club; and
 - (c) where any such lottery is in connection with a horse-race at a race-meeting in Sri Lanka which is held by such society or racing club, no ticket or chance in the lottery shall be issued, distributed, sold or offered for sale—
 - (i) by any person other than an employee of such society or racing club who is authorized in writing in that behalf by such society or racing club, or
 - (ii) except during the period of forty- [§2,27 of eight hours immediately 1958] preceding the time fixed by such society or racing club for the start of such horse-race.
- 15.** (1) After the expiration of a period of six calendar months reckoned from the date of the draw of any lottery promoted or conducted under the authority of any lottery licence, any money prize or any other prize in such lottery which has not been paid or delivered to the person entitled thereto by reason of the fact that such person is not known shall be disposed of in the following manner:—
- (a) if the prize is a money prize, the amount of the prize shall be forthwith paid by the licensee to the Deputy Secretary to the Treasury to be credited to the Consolidated Fund;
 - (b) if the prize is not a money prize, it shall be forthwith sold by public auction by the licensee and the proceeds thereof shall be paid by the licensee to the Deputy Secretary to the Treasury to be credited as aforesaid:

Special conditions applicable to horse-race lottery licences.

Disposal of unclaimed prizes in licensed lotteries.

Provided, however, that where the licensee is a society and the sale of tickets or chances in the lottery is restricted by the lottery licence to members of that society, the amount referred to in paragraph (a) of this subsection or the proceeds referred to in paragraph (b) of this subsection shall be paid into the funds of that society;

And provided, further, that nothing in the preceding provisions of this subsection shall apply in any case where any action or proceeding arising out of any claim made in respect of the prize is pending before any court at the expiration of the period aforesaid until such time as that action or proceeding is finally determined and unless the effect of that determination is that the claimant is not entitled to the prize.

(2) No act done in compliance with the provisions of subsection (1) in relation to any prize in any lottery shall subject any promoter or conductor of the lottery, or the Deputy Secretary to the Treasury, to any action, claim, demand or liability whatsoever.

16. The head, secretary, and every member of the governing body, of a society or racing club to which a lottery licence is issued shall each be deemed for the purposes of this Ordinance to promote or conduct every lottery under that licence, and the provisions of this Ordinance shall be construed accordingly.

17. Fees required by this Ordinance to be prescribed for lottery licences shall be prescribed by the Minister by notification published in the Gazette.

18. Any act which is authorized or required to be done by or under this Ordinance by any society or racing club, in its capacity as an applicant for a lottery licence or as a licensee, may be done on behalf of that society or club by the head or secretary thereof, or by any other member or officer of that society or club authorized in writing in that behalf by such head or secretary.

19. Parliament may by resolution impose a tax (in this Ordinance referred to as a " lottery tax ") on the gross proceeds of

every lottery. Such tax shall be payable by the promoter or promoters of the lottery and shall be credited to the Consolidated Fund. If such tax is not paid it may be recovered from the promoter or promoters of the lottery as a debt due to the State.

20. Where—

- (a) any provision of this Ordinance relating to any lottery promoted or conducted under the authority of a lottery licence is contravened, or
- (b) any condition of a lottery licence is not complied with,

every person who is deemed for the purposes of this Ordinance to have promoted or conducted the lottery and, where the person by whom the provision is contravened or the condition is not complied with is not a person who is so deemed to have promoted or conducted the lottery, that person also, shall be guilty of an offence:

Provided, however, that it shall be a defence for a person charged only by reason of his having promoted or conducted the lottery to prove that the offence was committed without his knowledge.

21. (1) Where a Magistrate is satisfied Search by information on oath that there is reason warrants to suspect that any offence under this Ordinance is being or has been committed in any place or premises, or that there is any document or thing directly or indirectly connected with any such offence in any place or premises, he may issue a search warrant authorizing any person named therein to enter and search such place or premises at any time, with such assistance and using such force as may be necessary, and to search any person found in such place or premises and to seize and detain any document, money, instrument or thing found therein which he has reasonable ground to suppose is directly or indirectly connected with the commission of any offence under this Ordinance and, if he thinks fit, to arrest any person found in such premises or place, who he has reason to suspect is guilty of any such offence.

Offences in respect of licensed lotteries.

Persons who are deemed to promote or conduct licensed lotteries.

Lottery licence fees.

Authorized representatives may act on behalf of societies or racing clubs.

Lottery tax.

(2) Where any police officer has reason to suspect that any offence under this Ordinance is being or has been committed in any place or premises, or that there is any document or thing directly or indirectly connected with any such offence in any place or premises, and that a search warrant cannot be obtained under subsection (1) without giving the offender an opportunity of escaping or of concealing evidence of the offence, he may, after recording the grounds of his suspicion, exercise all or any of the powers which could have been conferred upon him by a search warrant issued under subsection (1).

informers; and if any person upon whom any fine shall be imposed under the provisions of this Ordinance shall fail to pay the same, the informer shall be entitled to receive from the Government Agent the amount of the share of such fine to which he would have been entitled if the same had been paid :

Provided that the said Government Agent shall not be bound to pay in respect of any one such share any sum exceeding the sum of seventy-five rupees.

No prosecution but by authority of Attorney-General.

22. It shall not be competent for any court within Sri Lanka to try any person for any offence or alleged offence against this Ordinance, unless the prosecution of such person for such offence shall have been expressly authorized by the Attorney-General.

27. No person shall be deemed incompetent to give evidence at the trial of any party for any offence created by this Ordinance by reason of any reward or share to which he would be entitled under the provisions of the preceding section upon the conviction of such party. informer competent witness

Penalty for offences under Ordinance.

23. Every person who commits an offence under this Ordinance shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding one thousand rupees or to imprisonment of either description for a term not exceeding six months or to both such fine and imprisonment.

r 28. In this Ordinance— Interpretation,

" governing body "—

- (a) in relation to any racing club, means the stewards, for the time being, of that club, and
- (b) in relation to any society, means the person or body of persons for the time being charged with the management or administration of the affairs of that society;

Forfeiture of money and disposal of productions before court.

24. The court before which a person is convicted of any offence under this Ordinance in relation to any lottery shall order to be forfeited to the State any money produced before the court which is shown to the satisfaction of the court to represent the price of tickets or prize money or prizes in such lottery and shall order to be destroyed all documents (other than currency notes) produced before the court which are shown to the satisfaction of the court to relate to the promotion or conduct of such lottery.

" head", in relation to any society or racing club, means the president for the time being of that society or club or, in the absence of a president, the person who for the time being occupies the position of head, by whatever name called, of the management or administration of the affairs of that society or club;

Proof of lottery licences by production of certified copies.

25. A copy of a lottery licence purporting to be certified to be a true copy by the Secretary or by any officer on behalf of the Secretary may be produced in proof of the contents of that licence in any proceedings under this Ordinance.

" licensee ", in relation to a lottery licence, means the society or racing club to whom such licence has been issued ;

" lottery " includes any undertaking in the nature of a lottery;

Informer's share of fine.

26. One-half of all fines recovered under the provisions of this Ordinance shall go to the State, and the other half to the

"money" includes a currency note, cheque, postal order or money order and any security for money;

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- " race-course " and " race-meeting " have the same meaning as in the Betting on Horse-racing Ordinance;
- " racing club " has the same meaning as in the Betting on Horse-racing Ordinance;
- " Secretary " means the Secretary to the Ministry in charge of the Minister;
- " secretary ", in relation to any society or racing club, includes any person who for the time being occupies the position of secretary, by whatever name called;
- *" society " means any society, association, or body of persons, corporate or unincorporate, other than a racing club, established or maintained—
- (a) for the promotion or encouragement of any public, religious, philanthropic, educational or charitable purpose ; or
- (b) for the promotion or encouragement of any game or any sporting or athletic activity ;
- " ticket", in relation to a lottery, includes any lot, share, figure, number or other document, evidencing the claim of a person to participate in the chances of the lottery;
- "unlicensed lottery" means any lottery other than a lottery promoted or conducted under the authority of a lottery licence.