

2021 Raffle Rules & Regulations
Copper Harbor Trails Society
Raffle License # R60720

The Copper Harbor Trails Society (also known as the Copper Harbor Trails Club or CHTC) hosts an annual raffle that coincides with our Copper Harbor Trails Festival event over Labor Day weekend. The raffle raises money to assist with the construction and maintenance of non-motorized, human-powered trails in and connecting to Copper Harbor. The raffle will be conducted according to the rules and regulations listed below.

1. Tickets and Cost

- a. All tickets shall consist of a small ticket stub to be retained by the seller and entered into a drawing, and a larger portion containing information about the raffle. Both portions of the ticket shall have corresponding numbers unique to each ticket.
- b. Tickets are priced at \$20 each or six (6) for \$100. The tickets are otherwise identical aside from their unique identification numbers.

2. Ticket Sales

- a. Tickets may only be sold to purchasers who are 18 years of age or older. However, an adult may put a minor's name on the ticket stub and prizes may be awarded to a minor.
- b. Raffle tickets cannot be purchased in the name of the licensee, although members of the organization may purchase tickets.
- c. All ticket sales are final.
- d. Upon purchase of tickets, the buyer must legibly fill out their name and contact information upon each ticket stub. The stubs are returned to the seller and the buyer retains the remainder for their records.
- e. CHTC may elect to sell tickets through partner businesses. These same rules and regulations apply to these ticket sellers as they would CHTC. All ticket stubs and unsold tickets as well as cash or other payments must be available upon request and will be collected no later than Sunday, September 5, 2021 at 5:00 PM EDT.

3. Chances of Winning

- a. Each ticket sold has an equal probability of being chosen for each prize dependent on the number of tickets sold prior to the drawing date.
- b. The maximum number of tickets eligible to be sold is 2,000.

4. Prizes

- a. The following prizes will be awarded in 2021. All prizes will be awarded. Prizes with more than one quantity will be awarded individually.
 - i. One (1) TC Teardrop Camper Trailer. 5' x 9' plus mattress and roof rack. Total value: \$8,180.00
 - ii. One (1) Copper Harbor-themed painted custom Blue Steel Bicycles hardtail frame, 29" for 120mm travel from 99 Paints at Cyclocarbon. Total value: \$3,500.00
 - iii. One (1) Voucher for a one-week stay at Da Beach Cabin in Lac La Belle. Total value: \$1,000.00
 - iv. One (1) 2018-model Marzocchi Bomber Z1 Fork, 29" 170mm travel, 51mm rake, glossy red. Total value: \$699.00
 - v. Two (2) 2018-model Marzocchi Bomber Z1 Forks, 27.5" 170mm travel, 44mm rake, black. Value each: \$699.00

- vi. One (1) Voucher for a 2-night stay in a 2-bedroom, 1-bathroom cabin and a \$50 dinner voucher at the Keweenaw Mountain Lodge. Total Value: \$550.00
- vii. Two (2) New Belgium Cruiser Bikes from Peterlin Distributing. Value each: \$500.00
- viii. One (1) 2018-model Marzocchi Transfer dropper post, 31.6 mm diameter, 125 mm travel, collar routing. Total value: \$350.00
- ix. One (1) Custom-made leather bike saddle from Jerry Smith. Total value: \$350.00
- x. One (1) Voucher for a half-day Lake Superior Sea Kayak Tour for two from the Keweenaw Adventure Company. Total value: \$300
- xi. One (1) Voucher for a custom CTUG-45 Ultralight Backpack from Chicken Trampler Ultralight Gear. Total value: \$285.00
- xii. Two (2) Framed Keweenaw photos from Superior Blue Studio. Value each: \$250.00
- xiii. One (1) Voucher for a custom CTUG-25 Ultralight Day Pack from Chicken Trampler Ultralight Gear. Total value: \$185.00
- xiv. Two (2) 2.5-liter Ultralight Fanny Packs from Chicken Trampler Ultralight Gear. Value each: \$45.00
- xv. Three (3) Copper Harbor Trails Club individual memberships for the remainder of 2021 and 2022. Value each: \$40.

5. Drawing

- a. **Location:** Donny Kilpela Park, Grant Township, MI in Copper Harbor
- b. **Date:** Sunday, September 5, 2021 beginning at 8:30 PM EDT and ending at 10:00 PM EDT.
- c. **Process:**
 - i. All sold tickets must be collected no later than 8:30 PM EDT in a receptacle that affords each ticket an equal opportunity to be drawn. No sales will be made after 8:30 PM EDT on September 5, 2021.
 - ii. The tickets will be shuffled manually to ensure they are mixed randomly. Beginning with the lowest price prize, a volunteer will randomly choose a single ticket blindly from the receptacle while another volunteer holds the receptacle. The name, city, and state written on the ticket will be announced aloud for all present to hear, and written upon a log by a third volunteer along with the prize that has been awarded. The winning tickets are retained by the third volunteer and not returned to the ticket receptacle. Once complete, the process repeats itself for the next prize on the list until all prizes have been awarded.
 - iii. If a ticket chosen during the drawing is ineligible to win, it will be removed and another draw will be made immediately.

6. Obtaining Prizes

- a. Winners need not be present to win.
- b. At the conclusion of the drawing, winners may meet with CHTC raffle representatives to obtain their prizes.
- c. If a winner is not present to collect their prize, CHTC will make reasonable and diligent efforts to reach out to the winner using the contact information provided on the raffle ticket.
- d. Any prize not claimed within 60 days from the drawing date must be awarded using another drawing of the original ticket stubs or donated to another non-profit with permission from the Michigan Charitable Gaming Division.

- e. Certain Federal IRS regulations may apply depending on the value of each prize, as listed below.
 - i. A person receiving gambling winnings must furnish CHTC a statement on Form 5754 made under penalties of perjury stating his or her identity and the identity of any others entitled to the winnings (and their shares of the winnings.)
 - ii. CHTC must report raffle prizes with Form W-2G if a prize is \$600 or more after reducing the cost of the wager (\$20) and the payout is at least 300 times the amount of the wager (\$6,000).
 - iii. If a prize is over \$5,000, CHTC must withhold 25% of the winnings and report this amount to the IRS on Form W-2G.
 - 1. Backup Withholding: CHTC is required to withhold 28 percent of the total proceeds if the winner fails to furnish a correct taxpayer identification number (social security number, individual taxpayer identification number, or employer identification number).
 - iv. For non-cash prizes, the winner must pay CHTC 25% of the fair market value of the prize minus the amount of the wager, or 28% of the fair market value to comply with the backup withholding requirements listed above.
 - v. **Cash Option:** If a winner decides that they do not want to pay the required Federal tax withholding requirements, they may choose to take a cash option instead of receiving their prize. The cash option is the same as the fair market value of the prize and is subject to the same tax withholding requirements. However, instead of having to pay CHTC the withholding tax, the amount is withheld from their cash winnings. The cash option is only eligible for the top prize.

7. Eligibility

- a. No employee or Director on the Board of the Copper Harbor Trails Society is eligible to win any prize. They may purchase tickets and write in another person's name and contact information, but may not win prizes themselves.
- b. No winner of the top three prizes in any of the previous two years may be eligible to win one of the top three prizes in 2021.

8. Reporting

- a. A list of winners will be displayed at www.copperharbortrails.org/raffle no later than September 10, 2021 and will remain visible for no less than six months after the drawing date.