



LAWS OF MALAYSIA

REPRINT

Act 288

LOTTERIES ACT 1952

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LOTTERIES ACT 1952

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LAWS OF MALAYSIA**Act 288****LOTTERIES ACT 1952**

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LAWS OF MALAYSIA

Act 288

LOTTERIES ACT 1952

An Act to make provision for the grant of permits for the promotion of public and private lotteries for philanthropic, religious, educational, welfare and other charitable purposes, to make provision for the levy of a tax on lotteries and other matters connected therewith.

[30 December 1952]

Short title

1. (1) This Act may be cited as the Lotteries Act 1952.
- (2) *This Act shall apply to Peninsular Malaysia only.

Interpretation

2. In this Act, unless the context otherwise requires—

“lottery” means any game, method, scheme or device whereby money or money’s worth is distributed or allotted in any manner depending upon or to be determined by chance or lot;

**“Peninsular Malaysia” has the meaning assigned thereto in section 3 of the Interpretation Acts 1948 and 1967 [*Act 388*], and includes the Federal Territory.

“private lottery” means a lottery which is promoted for, and in which the sale or distribution of tickets or chances is confined to members of one society established and conducted for purposes not connected with gaming, wagering or lotteries;

*NOTE—In its application to the Federal Territory of Labuan and the states of Sabah and Sarawak—see Modification of Laws (Common Gaming Houses, Lotteries, Betting and Sweepstake Duties and Racing (Totalisator Board)) (Extension to the Federal Territory of Labuan) Order 1991 [*P.U. (A) 376/1991*] and Modification of Laws (Common Gaming Houses, Lotteries, Betting and Sweepstake Duties and Racing (Totalisator Board)) (Extension to the States of Sabah and Sarawak) Order 1991 [*P.U. (A) 377/1991*].

**NOTE—In its application to Federal Territory of Labuan and the States of Sabah and Sarawak, this definition is deleted.

“promoter” in the case of a lottery promoted by a society, means the secretary or similar official of such society and in the case of a lottery promoted, held, drawn or managed outside the Federation, the principal official of the local or affiliated branch of the society;

“public lottery” means a lottery to which the public or any section thereof has or may have access;

“society” includes a club, institution, organization or other association or body of persons by whatever name called and includes any local or affiliated branch or section of a society;

“ticket” includes in relation to any lottery or proposed lottery, any document evidencing the claim of a person to participate in the chances of a lottery.

Lotteries unlawful except with permit of Minister of Finance

3. Subject to section 16, any lottery promoted or conducted without a permit granted by the Minister of Finance under this Act or otherwise than in accordance with this Act shall be unlawful.

Power of Minister of Finance to grant permits

4. (1) The Minister of Finance may, in his discretion, grant a permit to any person or society for the promotion of a lottery, whether public or private, for the purpose of raising funds to be applied in aid of any philanthropic, religious, educational or welfare organization, institution, body or service, or in carrying out any philanthropic, religious, educational or welfare scheme or project, or any specific work beneficial to the community or any part thereof or for the improvement of the social condition or for the advancement of the welfare of the community or any part thereof in some specified way or ways or for any other purpose of a charitable nature:

Provided that no funds so raised shall be applied for any purpose connected with the religion of Islam:

Provided further that where a private lottery is to be promoted by a society whose objects are predominantly of a social or sporting character, the purpose for which the funds are to be raised may include the furtherance of the objects of such society.

(2) Such permit may be granted either in respect of a particular lottery or in respect of a series or number of lotteries to be promoted within such period of time as the Minister of Finance may specify in the permit.

(3) Applications for the grant of a permit under this Act shall be made in such manner and form as may be prescribed.

(4) The Minister of Finance may, at any time, withdraw a permit granted under this section, or add to, alter or cancel any condition imposed in such permit.

(5) Any person aggrieved by any decision of the Minister of Finance refusing or withdrawing any permit or imposing any condition in the grant of a permit may appeal to the Yang di-Pertuan Agong whose decision shall be final.

Conditions in permits

5. (1) In granting a permit under this Act the Minister of Finance may impose such conditions relating to the promotion and conduct of a lottery as he may think fit, but there shall in all cases be imposed the following conditions, that is to say—

- (a) no profit shall accrue to any individual person from the promotion of the lottery; and
- (b) the whole proceeds of the lottery, after deducting such costs, charges, expenses and other disbursements as may be allowed in the permit, shall be devoted to the purposes for which the lottery is promoted.

(2) Without prejudice to the generality of the powers conferred upon him by subsection (1) the Minister of Finance may, in granting any permit under this Act, impose conditions prescribing—

- (a) the percentage of the gross proceeds raised by such lottery that may be distributed as prizes, and the proportions in which such sum shall be allocated amongst the individual prizes;
- (b) the number of tickets or chances to be offered for sale in such lottery and the prices and denominations of such tickets or chances;
- (c) the amount of commission to be charged on the sale of such tickets or chances;

- (d) the persons by whom, the manner in which and the places at which such tickets or chances may be sold or distributed, and the persons or classes of persons to whom such tickets or chances may be sold or distributed;
- (e) the time, place and manner at or in which the winners of prizes therein will be determined;
- (f) the opening and closing dates for the sale or distribution of tickets or chances in such lottery;
- (g) the conditions subject to which any tickets or chances may be offered for sale;
- (h) the manner in which such lottery may be advertised;
- (i) the costs, charges and expenses which may be deducted by the promoter of such lottery from the funds raised by such lottery.

Publication of prospectus of public lottery

6. The promoter of a public lottery shall, upon promotion of such lottery, cause to be published in the *Gazette* or in such other manner as the Minister of Finance may direct, a prospectus of such lottery setting forth—

- (a) the general or special purposes to which the funds raised thereby will be applied;
- (b) the amount and number of the prizes offered therein;
- (c) the number of tickets or chances therein to be offered for sale and the prices and denominations of such tickets or chances;
- (d) the opening and closing dates for the sale or distribution of tickets or chances therein;
- (e) the times, places and manner at or in which the winners of prizes therein will be determined;
- (f) the conditions subject to which any tickets or chances therein will be offered for sale and in accordance with which such lottery will be conducted;
- (g) such other matters as the Minister of Finance may direct.

Accounts to be kept of an authorized lottery

7. (1) The promoter of any lottery shall keep such books of account in respect of such lottery as may be prescribed and shall enter therein true and regular accounts of all moneys received by him in respect of such lottery and all costs, charges and expenses incurred by him in the promotion of such lottery.

(2) The promoter of any lottery shall, if required so to do by the Minister of Finance by notice in writing, produce for examination within such time as may be specified in the notice the books of account referred to in subsection (1) and any vouchers and other documents relating to the lottery and shall, at all reasonable times, give all necessary facilities to any person appointed in that behalf by the Minister of Finance to inspect and audit such books.

(3) The promoter of any lottery shall, within three months of the date upon which the winners of prizes in any lottery are determined or within such extended time as the Minister of Finance may allow, prepare a completed account in respect of such lottery showing the total amount raised thereby, the amount of the prizes and commission paid and all other costs, charges and expenses incurred by the promoter in the promotion and conduct of such lottery, and the manner of disposal of the proceeds of the lottery remaining after all such disbursements as aforesaid.

(4) Every such account shall be audited by an auditor appointed in that behalf by the Minister of Finance.

(5) A copy of such account duly audited shall be submitted forthwith by the promoter to the Minister of Finance who may approve, disallow or reduce any item of cost, charge or expense shown thereon and in the case of a public lottery, the promoter shall publish such account, as approved, in such manner as the Minister of Finance may direct.

(6) The promoter of any lottery who fails to comply with any of the provisions of this section shall be deemed to have promoted or conducted a lottery contrary to this Act.

Duty on lotteries

8. (1) There shall be charged a duty on the total amount raised by the promoter of any lottery as shown in the account required to be made and as finally approved by the Minister of Finance under section 7, which duty shall be such per centum of the said total amount as the Minister of Finance may from time to time fix by order published in the *Gazette*:

Provided that the Minister of Finance may exempt in whole or in part from the payment of such duty any lottery or class of lotteries the whole or part of the proceeds of which are to be used for social and welfare services or for philanthropic or charitable purposes or for such other purpose as the Minister of Finance may approve.

(2) Such duty shall be payable by the promoter of the lottery:

Provided that where a lottery is promoted by a society and the promoter makes default in the payment of the duty or any part thereof the office-bearers of the society and the society itself shall be jointly and severally liable for the payment of any amount due in respect of such duty.

(3) Such duty shall be a debt due to the Federal Government and shall be recoverable by any of the ways and means in force for the time being for the recovery of debts due to the Government.

Penalty for false accounts

9. If the promoter of any lottery, with intent to evade the duty chargeable under this Act, prepares an account in accordance with subsection 7(1) which is false in any material particular, he shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding one thousand ringgit or four times the amount of the duty payable, whichever is the higher.

Penalty for promoting a lottery without a permit or in contravention of conditions in such permit

10. (1) Any person who promotes or conducts any lottery without being in possession of a valid permit or contrary to this Act or otherwise than in accordance with the terms and conditions of the permit granted in respect of such lottery shall be guilty of an offence and shall, on conviction, be liable to imprisonment for a term not exceeding three years, or to a fine not exceeding ten thousand ringgit or to both.

(2) Any person abetting the commission of an offence under this section shall be guilty of an offence and shall, on conviction, be liable to the punishment laid down in subsection (1).

Penalty for offence under paragraph 14(d)

10A. Any person who fails to comply with any regulation made under paragraph 14(d) shall be guilty of an offence and shall, on conviction, be liable to imprisonment for a term not exceeding three years or to a fine not exceeding ten thousand ringgit or to both.

Power to issue search warrants

11. A Magistrate, if satisfied by information on oath that there is reasonable ground to suspect that any premises are being used for the purpose of the commission of an offence under this Act or regulations made thereunder in connection with a lottery or proposed lottery, may grant a warrant under his hand authorizing any police officer at any time or times within one month from the date thereof to enter, if necessary by force, the said premises and every part thereof, and to search for and seize and remove any documents, money or valuable thing or any electrically or manually operated machine or other instrument found therein which he has reasonable ground to suppose are on those premises for any purpose which constitutes an infringement of any provision of this Act relating to lotteries.

Offences by bodies corporate

12. Where a person convicted of an offence under this Act is a body corporate, every person who at the time of the commission of the offence was a director or officer of the body corporate shall also be deemed to be guilty of that offence unless he proves that that offence was committed without his knowledge.

Forfeitures

13. In any prosecution for an offence under this Act or regulations made thereunder, the court shall order the forfeiture of anything which is proved to be the subject matter of or was used in the commission of the offence notwithstanding that no person may have been convicted.

Power of Minister of Finance to make regulations

- 14.** The Minister of Finance may make regulations—
- (a) prescribing anything which may be prescribed under this Act;
 - (b) providing for the manner in which the duty chargeable under this Act shall be payable, including payment by means of stamps on tickets and payment to be made at the time when tickets are marked or impressed by an officer specified in such regulations;
 - (c) prescribing any other matter which may be necessary for the purpose of carrying out the purposes of this Act;
 - (d) prescribing or prohibiting the possession of electrically or mechanically operated machines or such instruments used for the promotion of a lottery.

Delegation of powers

- 15.** The Minister of Finance may delegate the exercise of all or any of the powers conferred upon him by this Act to such person or persons as he may think fit.

Application

- 16.** This Act shall not apply to—
- (a) lotteries promoted by the Social and Welfare Services Lotteries Board, under the *Social and Welfare Services Lotteries Board Act 1950–1962 [*Act 252*];
 - (b) sweepstakes affected by the Betting and Sweepstake Duties Act 1948 [*Act 201*].

Saving

- 17.** No lottery for which a licence has been granted under this Act shall be deemed to be a public lottery for the purposes of any written law in force in the Federation or any part thereof relating to common gaming houses.

*NOTE—The Social and Welfare Services Lotteries Board Act 1950-1962 [*Act 252*] has since been repealed by the Social and Welfare Services Lotteries Board (Dissolution) Act 1991 [*Act 470*]—see section 3 of Act 470.

Application

18. Nothing in this Act shall apply to any lottery in progress at the date of the coming into force of this Act, provided that notice thereof is given to the Minister of Finance within two months after the said date.

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LIST OF AMENDMENTS

Amending law	Short title	In force from
L.N. 113/1956	Minister of Finance Order 1956	02-04-1956
L.N. 332/1958	Federal Constitution (Modification of Laws) (Ordinances and Proclamations) Order 1958	13-11-1958
Act 65	Gaming Tax Act 1972	01-03-1972
Act A133	Lotteries (Amendment) Act 1972	07-07-1972
Act 160	Malaysian Currency (Ringgit) Act 1975	29-08-1975
Act A354	Constitution (Amendment) Act 1976	27-08-1976

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Section	Amending authority	In force from
8	Act 65	01-03-1972
10	Act A133	07-07-1972
10A	Act A133	07-07-1972
11	Act A133	07-07-1972
13	Act A133	07-07-1972
14	Act A133	07-07-1972



