

## Non-Profit Break Open Ticket Reporting

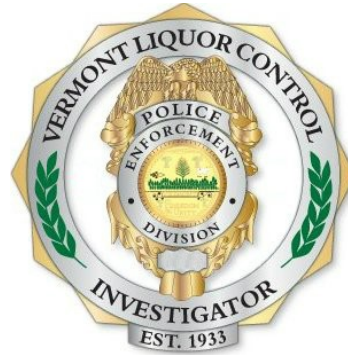
The Vermont Department of Liquor and Lottery has been charged with ensuring the compliance or Title 31 of Vermont Statutes.

As part of this responsibility, the Department of Liquor and Lottery was tasked with creating a reporting format for non-profits to provide the State with documentation attesting to the funding levels to non-profits generated through the sale of break open tickets.

This request was compelled by the perception that break-open tickets are a largely unregulated gambling activity and they were resulting in a significant amount of misappropriated funding resulting from these sales. In other words, the perception was that in many cases the non-profits were only receiving a fraction of the proceeds being generated by this break open ticket sales. From the viewpoint of the legislature the break open ticket activity required greater levels of oversight to minimize the amount of fraudulent misappropriation of funds.



### VERMONT DEPT. OF LIQUOR AND LOTTERY DIV. OF LIQUOR CONTROL OFFICE OF COMPLIANCE AND ENFORCEMENT



#### VERMONT DEPT OF LIQUOR AND LOTTERY, DIVISION OF LIQUOR CONTROL

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# ATTENTION!

Act 73 of the 2017 Legislative Session amended Title 31 § 1203 requiring all non-profits that sell break-open tickets, **(WITH THE EXCEPTION OF CLUBS\*)** to report those sales to the Department of Liquor and Lottery on a quarterly basis.

The Department of Liquor and Lottery is now ready to receive those reports via an easy to use online system.

**FAILURE TO REPORT  
WILL RESULT IN THE  
LOSS OF ABILITY TO  
PURCHASE BREAK-  
OPEN TICKETS, AND  
THE LOSS OF ABILITY  
TO SELL BREAK OPEN  
TICKETS!**

\*as defined by 7 V.S.A. §2(7)

## ABOUT THIS REQUIREMENT

During the 2018 legislative session the Department of Liquor and Lottery was tasked with creating a reporting format for non-profits to provide the State with documentation attesting to the funding levels to non-profits generated through the sale of break-open tickets. This request was compelled by the perception that this essentially unregulated gambling activity was resulting in a significant amount of mis-appropriated funding resulting from these sales. In other words, the perception was that in some cases the non-profits were only receiving a fraction of the proceeds being generated by break open ticket sales. From the viewpoint of the legislature, break open ticket activity requires greater levels of oversight to minimize the amount of fraudulent misappropriation of funds.

## PURPOSE FOR THIS PAMPHLET

Effective immediately, non-profit organizations that are involved in generating funding through the sales of break-open tickets (EXCEPT FOR CLUBS\*) are required to submit quarterly reports to the DLC to document how many tickets the non-profit purchased from a licensed distributor, the serial numbers of those tickets, and the net proceeds received by the organization through the sale of these tickets. The goal of this quarterly reporting process is to provide more transparency regarding break-open ticket sales.

\*Clubs are defined by 7 V.S.A. §2(7), as unincorporated associations or a corporations that have been in existence for at least two consecutive years and owns, hires, or leases a building or space in a building that is suitable and adequate for the reasonable and comfortable use and accommodation of its members and their guests and contains suitable and adequate kitchen and dining room space and equipment implements and facilities.

## WHY YOU NEED TO REPORT

**Failure to file quarterly reports will result in immediate suspension of the non-profits privilege to purchase break open tickets from a license distributor.** The DLC will notify all licensed distributors of non-complying non-profits and they will be forbidden to sell additional break open tickets to the non-profit until the reporting has been brought up to date. **Selling break open tickets by a non-qualifying non-profit or purchasing them from anyone other than a licensed distributor is illegal under statute and will prosecuted fully.**

## HOW TO REPORT

In order to make reporting as easy as possible, the Dept. of Liquor and Lottery has created an online reporting tool. This tool is web-based and allows for manual entry of data, box by box, as well as a bulk upload of data capturing several boxes worth of ticket data at a time.

You will find the online reporting too here:

<https://secure.vermont.gov/DLC/botix>

The form will require you to register an account by asking you to select from a pre-populated list of known non-profits that sell break-open tickets in the state. If your non-profit is not listed, you will need to provide relevant information to register one with the system. Once registered, you can then submit data via the manual entry form, or submit a bulk upload.

You can find a link to a video tutorial on how to use the reporting system here:

<https://liquorcontrol.vermont.gov/non-profitreporting>



SECURE ONLINE SERVICE

Break Open Tickets Reporting Service

### Authorized User Login

Username \*

Password \*

Login

Register Account

Forgot Password

If you have questions after watching the tutorial video, please contact DLC

## ABOUT THE DIVISION OF LIQUOR CONTROL

The mission of the Vermont Department of Liquor and Lottery, Division of Liquor Control is to serve the public by encouraging responsible consumption and preventing the misuse of beverage alcohol and tobacco through the controlled distribution, education and licensing of sellers, as well as the wise use of enforcement. The DLC works to provide excellent customer service in conjunction with our Agency Partners to operate efficient, convenient, and profitable liquor stores. All profits from the DLC's operations are contributed to the State of Vermont's General Fund with over \$300,000,000 being contributed since 2000.



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