

PARLIAMENT OF CEYLON

2nd Session 1953-54



Lotteries (Amendment) Act, No. 2 of 1954

Date of Assent : January 23, 1954

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Chapter 37,
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AN ACT TO AMEND THE LOTTERIES ORDINANCE.

[Date of Assent: January 23, 1954.]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Ceylon in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Lotteries (Amendment) Act, No. 2 of 1954.

Short title.

2. The following new section is hereby inserted immediately after section 2, and shall have effect as section 2A, of the Lotteries Ordinance (hereinafter referred to as the "principal enactment"):

Insertion
of new
section 2A
in Chapter 37.

"Promoter
or conductor
of unlicensed
lottery.

2A. Every person who promotes or conducts any unlicensed lottery shall be guilty of an offence."

3. Section 3 of the principal enactment (as amended by Ordinance No. 6 of 1944) is hereby amended as follows:—

Amendment
of section 3
of the
principal
enactment.

(1) by the substitution, for the words "ticket, lot, chance, share, number or figure", of the words "ticket or chance"; and

(2) in the marginal note to that section, by the substitution, for the word "ticket", of the words "ticket or chance".

4. Section 4 of the principal enactment (as amended by Ordinance No. 6 of 1944) is hereby amended as follows:—

Amendment
of section 4
of the
principal
enactment.

(1) by the substitution, for all the words from "any ticket" to "in any unlicensed lottery", of the words "any ticket or chance in any unlicensed lottery"; and

(2) in the marginal note to that section, by the substitution, for the word "ticket.", of the words "ticket or chance."

Amendment
of section 5
of the
principal
enactment.

5. Section 5 of the principal enactment (as amended by Ordinance No. 6 of 1944) is hereby amended, by the substitution, for the words " ticket, lot, chance, share, number, or figure ", of the words " ticket or chance ".

Replacement
of sections
6A to 6D of
the principal
enactment.

6. Sections 6A, 6B, 6C and 6D of the principal enactment (as amended by Ordinance No. 6 of 1944) are hereby repealed and the following new sections substituted therefor:—

Minister
to issue
lottery
licences.

6A. (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 authorise the licensee to promote or conduct a lottery in connection 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.

6B. (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 authorise the promotion or conduct of more than one lottery.

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

6c. (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.

6d. Every application by a society or racing-club for a lottery licence—

(1) shall be made in writing to the Minister through the Permanent 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 Ceylon, 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. '.

Re-numbering of section 6E of the principal enactment.

7. Section 6E of the principal enactment (inserted by Ordinance, No. 6 of 1944) is hereby amended by the re-numbering of that section as section 6O of that enactment.

Insertion of new sections 6B to 6N in the principal enactment.

8. The following new sections are hereby inserted immediately after the new section 6D, and shall have effect as sections 6E, 6F, 6G, 6H, 6J, 6K, 6L, 6M, and 6N respectively, of the principal enactment:—

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

6E. The Permanent Secretary may direct the applicant for any lottery licence to furnish all such information and documents as the Permanent 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.

General conditions applicable to lottery licences.

6F. 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 Ceylon;
- (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 Permanent Secretary for good reasons upon application made in that behalf by the licensee;
- (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 Sinhalese daily newspaper, a Tamil daily newspaper and an English daily newspaper circulating in Ceylon, and copies of such notice shall be sent by the licensee to the Permanent Secretary and to the Inspector-General of Police:

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 Permanent Secretary and to the Inspector-General of Police;

- (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 Permanent 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 authorised in that behalf by the Permanent 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 Permanent 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.

Special
conditions
applicable
to horse-race
lottery
licences.

6G. A horse-race lottery licence shall, in addition to the conditions specified in section 6F 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 Ceylon or in connection with a horse-race at a race-meeting in Ceylon

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 authorised 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 Ceylon 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 authorised in writing in that behalf by such society or racing club, or
- (ii) earlier than 6 A.M. of the day preceding the date of the race in respect of which the lottery is held.

Disposal of
unclaimed
prizes in
licensed
lotteries.

6H. (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:

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 sub-section or the proceeds referred to in paragraph (b) of this sub-section shall be paid into the funds of that society:

And provided, further, that nothing in the preceding provisions of this sub-section 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 sub-section (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.

Persons
who are
deemed to
promote or
conduct
licensed
lotteries.

6J. 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.

Lottery
licence
fees.

6K. Fees required by this Ordinance to be prescribed for lottery licences shall be prescribed by the Minister by notification published in the *Gazette*.

Authorised
representa-
tives may
act on
behalf of
societies
or racing
clubs.

6L. Any act which is authorised 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 authorised in writing in that behalf by such Head or Secretary.

Lottery
tax.

6M. The House of Representatives 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 Crown.

Offences
in respect
of licensed
lotteries.

6N. 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."

9. The following new section is hereby inserted immediately after section 7B (inserted by Ordinance No. 6 of 1944), and shall have effect as section 7c, of the principal enactment:—

Insertion
of new
section 7c
in the
principal
enactment.

“ Proof of
lottery
licences by
production
of certified
copies.

7c. A copy of a lottery licence purporting to be certified to be a true copy by the Permanent Secretary or by any officer on behalf of the Permanent Secretary may be produced in proof of the contents of that licence in any proceedings under this Ordinance.”

10. Section 10 of the principal enactment (as amended by Ordinance No. 6 of 1944) is hereby amended as follows:—

Amendment
of section
10 of the
principal
enactment.

(1) by the insertion, immediately before the definition of “ lottery ”, of the following new definitions:—

“ “ 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;

“ 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;

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

(2) by the insertion, immediately after the definition of “ lottery ”, of the following new definitions:—

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

“ Permanent Secretary ” means the Permanent Secretary to the Ministry in charge of the Minister; ’;

(3) by the omission of the definition of “ sports club ”;

(4) by the insertion, immediately after the definition of “ racing club ”, of the following new definitions:—

“ “ race-course ” and “ race-meeting ” have the same meaning as in the Betting on Horse-racing Ordinance;

“ 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; ’; and

(5) by the substitution, for the definition of “ unlicensed lottery ”, of the following new definition:—

“ “ unlicensed lottery ” means any lottery other than a lottery promoted or conducted under the authority of a lottery licence. ’.

Transitory
provisions.

11. Notwithstanding the amendments made in the principal enactment by the preceding provisions of this Act, that enactment shall, in its application in the case of—

(a) any licence to promote or conduct a lottery issued under that enactment prior to the date of commencement of this Act, or

(b) any lottery promoted or conducted, whether before or after that date, under the authority of any such licence, or

(c) any proceedings or other matter relating to or connected with any such licence or lottery,

have effect as though those amendments had not been made.