

A GUIDE TO LOTTERY SYNDICATES

SHARING THE FUN!

WHAT IS A LOTTERY SYNDICATE?

A LOTTERY SYNDICATE IS A DIFFERENT WAY OF PLAYING LOTTERY GAMES. INSTEAD OF PLAYING THE LOTTERY ON YOUR OWN, IT IS A GREAT WAY TO SHARE THE EXCITEMENT OF A WEEKLY DRAW AS YOU PLAY WITH A GROUP OF FRIENDS, FAMILY OR WORK COLLEAGUES AND THEN SPLIT ANY WINNINGS THAT YOUR GROUP WINS.

Playing the lottery in a syndicate can increase the chances of winning as you can buy more entries into the games. Your winnings are then divided between your syndicate players according to the shares they have all contributed.

This guide provides information and advice for syndicates, from setting up your group, right through to deciding how you will divvy out the winnings.

If you're planning on buying your ticket as a syndicate – or even if you're already doing so – take a read through the information below.

GETTING STARTED

FORMING A SYNDICATE IS PRETTY EASY – JUST WORK OUT WHO IS JOINING THE GROUP, WHAT SORT OF TICKET YOU WANT TO BUY, COLLECT THE CASH, AND YOU'RE AWAY.

However, we recommend you also formalise the agreement as this will make sure there are no questions on who is in the group, how much everyone pays, or how winnings are collected and shared if you win!

We've provided a template syndicate agreement form at the end of this document that you can print off and use for your own syndicate, if you wish. Completing this document is voluntary, you could draw up your own version, but it is important that all members of your syndicate agree to, and sign, the agreement. This agreement is just for you and the members of your syndicate, there's no need to send a copy to NZ Lotteries.

BUYING TICKETS

ONCE YOU'VE AGREED AMONGST YOUR GROUP HOW YOU WANT TO RUN YOUR SYNDICATE, YOU NEED TO WORK OUT WHAT SORT OF TICKET(S) YOU WANT TO BUY.

Depending on the size of your syndicate and the amount you are all willing to put in, there are plenty of options for you:

- Easy Dips (computer-generated random selections, available in a range of dip options);
- Choose your own numbers on a standard coupon; or
- Combo 8, 9, or 10 (these can be either your own numbers or a computer-generated, random selection). Combos are available for both Lotto (including Powerball) and Big Wednesday.

Many syndicates opt for a Combo ticket as it enables them to buy a larger number of entries on just one ticket. A Combo 8 has 28 entries into a draw, a Combo 9 has 84 entries, and a Combo 10 has 210.

For more information on how Combos work, download our How To Play Lotto Combo brochure and/or our Big Wednesday Combo Information leaflet from our website, or pick up a copy from any Lotto store.

When you have purchased your ticket, write the name of your syndicate group on the back and keep the ticket in a safe place. You may like to give a photocopy to other members of your syndicate, but make sure they are aware that only the original ticket can be validated for prizes.



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CLAIMING PRIZES

UNDER THE GAME RULES, NZ LOTTERIES IS ONLY ABLE TO RECOGNISE THE INDIVIDUAL BEARER OF THE ORIGINAL TICKET AS THE PRIZE WINNER – THIS IS WHERE HAVING A FORMAL AGREEMENT IN PLACE IS INVALUABLE.

Prizes up to \$1,000 will be paid out in cash from any Lotto retailer, so it will be the responsibility of the syndicate representative to ensure all prizes are collected and distributed to syndicate members as per your agreement.

Prizes of \$1,001 or more are paid directly by NZ Lotteries. One member of the syndicate (generally the syndicate representative) will need to be nominated as the prize winner and complete the Prize Claim Form which goes with the original ticket for prize payment to NZ Lotteries' Wellington Office.

Prizes are also only able to be paid in one lump sum, so your syndicate will need to nominate a bank account for the prize payment to go in to. This does not need to be the bank account of the nominated claimant; you may choose to set up a special account for your winnings.

Once your prize payment has been received, it is up to the syndicate representative to ensure the prize is distributed (as per your agreement) immediately to all syndicate members. This is important as it helps demonstrate that this prize was won by a group.

COMMERCIAL SYNDICATES WARNING!

A TICKET PURCHASED BY OR ON BEHALF OF A COMMERCIAL SYNDICATE IS VOID AND INELIGIBLE FOR A PRIZE.

A commercial syndicate means a syndicate in or for which a person:

- (a) obtains direct or indirect financial gain for forming, conducting, assisting in forming or conducting, or promoting the syndicate; or
- (b) advertises, by any means, that he or she will receive money for the syndicate.

NZ Lotteries cannot replace a ticket that is invalid because it was purchased by, or on behalf of, a commercial syndicate.

Note, a person does not obtain a financial gain by receiving any payment that represents the person's proportional share (based on the amount the person paid towards the tickets purchased by, or on behalf of, the syndicate) of any prize.

TAX IMPLICATIONS

WHILE LOTTERY PRIZES ARE TAX-FREE IN NEW ZEALAND, WINNERS OF LARGE PRIZES NEED TO BE AWARE OF GIFT DUTY. THIS IS A CHARGE PAYABLE TO THE INLAND REVENUE DEPARTMENT (IRD) ON GIFTS OVER A CERTAIN VALUE.

Formalising your syndicate in writing may provide the IRD with evidence that the division of a prize amongst syndicate members is not gifting.

For detailed tax advice, please contact a solicitor, a suitably qualified tax professional, or the IRD.

DISCLAIMER

NZ Lotteries and its retailers has no responsibility or liability for the organisation, management, or operation of any syndicate.

SYNDICATE SAMPLE AGREEMENT

WE HAVE INCLUDED A SYNDICATE AGREEMENT EXAMPLE ON THE NEXT PAGE.

We recommend that your syndicate has an agreement. You might want to use this form as a guide to create your own agreement.

