

## **NORTH CAROLINA EDUCATION LOTTERY POLICIES AND PROCEDURES MANUAL**

### **CHAPTER 8 – SALES**

#### **8.01A – RETAILER INCENTIVE AWARDS**

##### **PURPOSE**

Pursuant to the North Carolina Lottery Act, NCGS §18C-114(a)(10), as amended by House Bill 205 (Session 2009), the North Carolina Education Lottery (NCEL) was granted the authority to establish incentives for lottery retailers. The purpose of this Policy is to establish a program to offer incentive awards for qualified and eligible licensed NCEL retailers meeting the NCEL's requirements. The goal of this incentive program is two-fold: (1) to enhance the NCEL's retailer relations by providing the retailers with opportunities to increase their income through the sale of lottery tickets; and (2) by offering incentives to encourage retailers to increase their lottery sales, the NCEL may be able to transfer more funds toward North Carolina educational programs.

##### **POLICY**

The NCEL may, from time to time, offer game specific incentive award programs detailing the awards and any specific requirements not mentioned in this Policy. This Policy provides the general requirements and rules applicable to all retailer incentive programs. Such game specific incentive award programs shall be available as attachments to this Policy. Therefore, this Policy shall automatically be updated as each game specific incentive award program is included as an attachment.

##### **ELIGIBILITY**

To qualify for any incentive awards establish pursuant to any game specific incentive award programs, all retailers must meet the following eligibility requirements:

- Retailer must be an active NCEL retailer in good financial standing as of the date of the incentive award. "Good financial standing" status shall be determined by the NCEL.
- Six (6) consecutive months of successful EFT sweeps. "Good financial standing" allows a retailer to participate in incentive programs that may be in effect. A retailer with two (2) or more returned Electronic Funds Transfers (EFTs) during a rolling six (6) month period will be ineligible to participate. Retailers with a single returned EFT must remit payment to the NCEL within forty-eight (48) hours after notification by the NCEL to be eligible to participate.
- The NCEL shall verify all retailer eligibility requirements and any ticket verification as applicable to the game specific incentive award program.
- The incentive awards will be reflected on a 1099 form for tax reporting purposes.
- All incentive awards will be made to the tax identification number of record as provided to the NCEL pursuant to the retailer's sales license application.
- Any specific requirements not referenced in this Policy shall be provided in the game specific incentive award program attached to this Policy as an attachment.