



This article presents general guidelines for Georgia nonprofit organizations as of the date written and should not be construed as legal advice. Always consult an attorney to address your particular situation.

Fundraising Issues for Special Events

Georgia nonprofit organizations often hold special events, such as silent auctions, black-tie galas, golf tournaments, and festivals, to raise money for their organization. This article discusses some of the important legal issues that may arise when an organization organizes such fundraising events.

Sales Tax

Items sold at special events, including auction items and food, are subject to the applicable state and county sales taxes, unless the organization has received sales tax exemption from the Georgia Department of Revenue. Entrance fees or tickets are generally subject to sales tax as well.

Most nonprofit organizations are subject to Georgia sales and use taxes but some specific exemptions exist such as those for nursing homes, in-patient hospices and mental hospitals.

For more information about sales and use tax in Georgia, see [Georgia Sales and Use Tax Exemptions for Nonprofits](#), [Paying Sales and Use Tax in Georgia](#) and our [Sales Tax Webcast](#).

Gambling

Fundraisers such as casino nights, poker tournaments, bingo games, raffles and door prizes may constitute illegal gambling. Under Georgia law, paying entrance fees to play in a game that has an element of chance and in which prizes are awarded based on the outcome of the game is considered illegal gambling. While raffles are generally considered illegal gambling under Georgia law, tax-exempt organizations may conduct legal raffles if they obtain a license in advance. For more information, see [Conducting Raffles](#) and [Casino Night, Poker Tournaments, Bingo: Your Fundraiser Could Be Illegal Gambling](#).

Permits

Nonprofit organizations may be required to file permit applications for special events in the county and city in which the event will be held. Types of events that usually require a permit include parades, block parties, and events held at public parks. Events held at restaurants, golf courses, private clubs or some other private location do not require permits from the county authorities.

For events held in public spaces, nonprofits must comply with all county ordinances

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regarding these types of events. Certain cities also require additional permits.

Nonprofits should contact the local authorities in the county and city where the event is being held to determine the local ordinances and specifications for special events.

- Cobb County: [Permit Application](#)
- Fulton County: [Permit Application](#)
- DeKalb County: Requests for permits should be directed to your local precinct. Your precinct will be able to advise you if you need additional permits from your city or county. To find your precinct, visit http://web.co.dekalb.ga.us/DK_Police/pol-map.html.
- City of Atlanta: For more information and links to event permit applications, visit, <http://www.atlantaga.gov/index.aspx?page=140>
- City of Decatur: For more information and links to even permit applications, visit, <http://www.decaturga.com/city-government/city-departments/community-development-quality-of-life/events>.

Food Sales

If an organization wants to sell food, either pre-packaged or prepared on site, it may need to obtain an authorization letter or temporary food permit. Each county is allowed to set their own guidelines and requirements for temporary food sales, so contact the appropriate health department:

Cobb	770-435-7815
Dekalb	404-508-7900
Douglas	770-920-7311
Central Fulton	404-613-1303
North Fulton	404-332-1801
South Fulton	404-613-5579

The contact information for additional counties in Georgia can be found [here](#).

In Cobb and Douglas Counties, for example, a nonprofit does not need a permit for a small food sale, such as a bake sale. If it is a larger event, such as a full meal that is open to the public, the nonprofit will need to apply for a temporary permit. The permit can be found at: <http://www.cobbanddouglaspublichealth.com/environmental-health/food-services/food-service-applications-information/>.

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In Dekalb County, nonprofits must send a letter to the Board of Health with detailed information about the event and a request for exemption from the food permit requirements. For more information, visit <http://dekalbhealth.net/envhealth/food-safety/>.

Alcohol Sales

If a nonprofit organization intends to sell or serve alcoholic beverages at a special event, state and local licenses are required.

If a nonprofit organization is hosting the event at a restaurant or banquet facility or is using a caterer for the event, it may not need to get a separate license. Check with the restaurant or caterer to confirm that they have the required licenses or permits.

To obtain a local license, the nonprofit must contact city or county authorities where the event will be held. To obtain a license from the state, nonprofits must complete the *State of Georgia Special Event Alcohol Beverage Application* electronically after getting the local license. Paper applications are no longer accepted. To complete an electronic application, nonprofits must first log into the Georgia Tax center website at <https://gtc.dor.ga.gov/> and register an online account (the nonprofit will need an account number from the Georgia Department of Revenue).

The nonprofit must also pay sales and excise tax on any wine that it sells. For more information, see [Alcoholic Beverage Permits](#).

Wine Auctions

Nonprofit organizations in Georgia must obtain a permit to auction wine for later consumption at a special event. To conduct a legal auction of wine, a nonprofit must obtain both state and local permits.

To obtain a local license, the nonprofit must contact city or county authorities where the event will be held. To obtain a license from the state, the nonprofit must complete the *State of Georgia Special Event Alcohol Beverage Permit Application* after getting the local license. To complete an electronic application, nonprofits must first log into the Georgia Tax center website at <https://gtc.dor.ga.gov/> and register an online account (the nonprofit will need an account number from the Georgia Department of Revenue).

The nonprofit must also pay sales and excise tax on any wine that it auctions. For more information, see [Auctioning Wine](#).

Insurance

A nonprofit will face additional risks with some activities conducted during a special event such as having an inflatable bouncer or organizing a road race. Where the risks of physical injury are higher, a nonprofit should ensure that it has enough insurance to help manage its risk.

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If the nonprofit's general commercial liability policy does not cover special events, a nonprofit should contact their insurance provider to find out if it is possible to purchase a rider to the policy to cover a special event. It is also possible to purchase insurance specifically to cover special events. Special event insurance is specifically designed to cover the additional risks incurred in the type of activities often included in special events.

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