

**99G.31 Prizes.**

1. The administrator shall award the designated prize to the holder of the ticket or share upon presentation of the winning ticket or confirmation of a winning share. The prize shall be given to only one person as provided in [this section](#); however, a prize shall be divided between holders of winning tickets if there is more than one winning ticket.

2. The division shall only pay prizes for lottery tickets or shares that the department determines were legally purchased, legally possessed, and legally presented.

3. The commission shall adopt administrative rules, policies, and procedures to establish a system of verifying the validity of tickets or shares claimed to win prizes and to effect payment of such prizes, subject to the following requirements:

a. The prize shall be given to the person who presents a winning ticket. A prize may be given to only one person per winning ticket. However, a prize shall be divided between holders of winning tickets if there is more than one winning ticket. Payment of a prize may be made to the estate of a deceased prize winner or to another person pursuant to an appropriate judicial order issued by an Iowa court of competent jurisdiction.

b. A prize shall not be paid arising from claimed tickets that are stolen, counterfeit, altered, fraudulent, unissued, produced or issued in error, unreadable, not received, or not recorded by the division within applicable deadlines; lacking in captions that conform and agree with the play symbols as appropriate to the particular lottery game involved; or not in compliance with such additional specific administrative rules, policies, and public or confidential validation and security tests of the division appropriate to the particular lottery game involved.

c. No particular prize in any lottery game shall be paid more than once, and in the event of a determination that more than one claimant is entitled to a particular prize, the sole remedy of such claimants is the award to each of them of an equal share in the prize.

d. Unclaimed prize money for the prize on a winning ticket or share shall be retained for a period deemed appropriate by the administrator, subject to approval by the commission. If a valid claim is not made for the money within the applicable period, the unclaimed prize money shall be added to the pool from which future prizes are to be awarded or used for special prize promotions. Notwithstanding [this subsection](#), the disposition of unclaimed prize money from multijurisdictional games shall be made in accordance with the rules of the multijurisdictional game.

e. No prize shall be paid upon a ticket or share purchased or sold in violation of [this chapter](#). Any such prize shall constitute an unclaimed prize for purposes of [this section](#).

f. The department is discharged of all liability upon payment of a prize pursuant to [this section](#).

g. A ticket or share issued by the division shall not be purchased by and no prize shall be paid to any of the following:

(1) A member of the commission.

(2) An officer or employee of the department.

(3) An officer or employee of the state providing services to the department to administer [this chapter](#) if such officer or employee has access to confidential information which may compromise the integrity of the lottery.

(4) A spouse, child, sibling, or parent residing as a member of the same household in the principal place of residence of any person described in subparagraphs (1) through (3). For purposes of this subparagraph, a spouse, child, sibling, or parent of a person described in subparagraphs (1) through (3) is considered to be residing as a member of the same household if the spouse, child, sibling, or parent lived in the principal place of residence for one hundred eighty-three days or more in the immediately preceding three hundred sixty-five days.

h. A ticket or share issued by the division shall not be purchased by and no prize shall be paid to any of the following:

(1) An officer, employee, agent, or subcontractor of any vendor if such officer, employee, agent, or subcontractor has access to confidential information which may compromise the integrity of the lottery.

(2) A spouse, child, sibling, or parent residing as a member of the same household in the principal place of residence of any person described in subparagraph (1). For purposes of this subparagraph, a spouse, child, sibling, or parent of a person described in subparagraph (1) is considered to be residing as a member of the same household if the spouse, child, sibling, or parent lived in the principal place of residence for one hundred eighty-three days or more in the immediately preceding three hundred sixty-five days.

i. The proceeds of any lottery prize shall be subject to state and federal income tax laws. An amount deducted from the prize for payment of a state tax, pursuant to [section 422.16, subsection 2](#), shall be transferred to the department on behalf of the prize winner.

[2003 Acts, ch 145, §286; 2003 Acts, ch 178, §84, 121; 2003 Acts, ch 179, §142; 2004 Acts, ch 1101, §20; 2021 Acts, ch 94, §2; 2023 Acts, ch 19, §2334 – 2336; 2023 Acts, ch 115, §16; 2024 Acts, ch 1170, §369; 2024 Acts, ch 1182, §108; 2025 Acts, ch 12, §10](#)

Referred to in [§99G.36](#)

Subsection 3, paragraphs g and h stricken and rewritten