

The law to tax games of chance came into effect

After several changes, the text was published in the bulletin and it came into effect Last Sunday July 1st. According to it, now lotteries, horse races, sporting bets, slots, bingos and casinos will be taxed.

According to SENIAT (Integrated National Service of Customs and Tax Administration), the contribution that the tax would generate during the second semester would be USD 33,553, but it is estimated that from 2008 the contribution will be larger. Authorities have commented that it is necessary to regulate the activity, because USD 139,808 are lost annually

The legal frame affirms that the gambling tax contemplates different payment methods and fees will be applied according to the activity.

For lotteries and operation of horse races, the tax is between 10 to 15% on the total of the gross income received per month. Sporting bets will pay a tax between 6% to 10% of the total income.

For bingo operation, the tax is between 12% to 20% on the total of the resources received per month.

In casino operation, the tax was fixed between 120 to 320 tax units on the total of the gross income per play in the bingo hall. Slots will pay a minimum of 40 tax units and a maximum of 200 tax units. In the case of machines with two or more simultaneous players, the proportional to apply will be the result of multiplying the number of gaming places the machine has.

For the rest of the games, the tax is between 30 to 50% of the gross income. It will comprise games that, for example, are

made by text messages. According to the legal frame, those operators which do not have account books will be fined with 500 tax units.

The fine will be increased in 250 tax units for each new infringement to get to a maximum of 3,000 tax units.

The tax entity will demand operators to have account books, records and special documents for the tax control, and will have to notify the authorities the number of table games installed in casinos as well as bingo halls.