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12 December 2002 [shall come into force on 1 January 2003];

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18 September 2003 [shall come into force on 1 October 2003];

30 October 2003 [shall come into force on 1 January 2004];

16 June 2005 [shall come into force on 1 Jaunary 2006];

15 March 2007 [shall come into force on 23 March 2007];

16 June 2009 [shall come into force on 1 July 2009];

14 April 2011 [shall come into force on 1 June 2011];

15 December 2011 [shall come into force on 1 January 2012];

19 September 2013 [shall come into force on 1 Jaunary 2014];

30 November 2015 [shall come into force on 1 January 2016];

23 November 2016 [shall come into force on 1 January 2017];

27 July 2017 [shall come into force on 1 January 2018];

22 November 2017 [shall come into force on 1 January 2018];

23 May 2019 [shall come into force on 1 January 2021];

13 November 2019 [shall come into force on 1 January 2020].

If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

The *Saeima*1 has adopted

and the President has proclaimed the following law:

**On Lotteries and Gambling Fee and Tax**

**Section 1.**The lotteries and gambling tax shall be paid by a capital company which has received a special permit (licence) for organisation of lotteries or the licences required for organisation of the relevant gambling in accordance with the procedures laid down in the law.

[*22 November 2017*]

**Section 2.** The gambling fee shall be paid for issuing or re-registration of a gambling licence for organisation of gambling on gaming machines, bingo, roulette (cylindrical games), card games, dice games, betting, wager, and games of chance via the telephone, as well as for issuing or re-registration of a gambling premises licence.

The gambling fee for issuing of a gambling licence (including issuing of a gambling licence if gambling is also organised via electronic communications services) shall be EUR 427 000.

The gambling fee for issuing of a gambling licence if gambling is only organised via electronic communications services (interactive gambling) shall be EUR 200 000.

The gambling fee for re-registration of a gambling licence for organisation of the gambling referred to in Paragraph two or three of this Section – gambling on gaming machines, bingo, roulette (cylindrical games), card games, dice games, betting, wager, and games of chance via the telephone – shall be EUR 37 000.

The gambling fee for issuing or re-registration of a gambling premises licence which gives the right to organise gambling on specific gambling premises (in a casino, a gambling room, a bingo room, or a place where bets or wager stakes are accepted) shall be as follows:

1) for a casino – EUR 30 000;

2) for a gambling room or a bingo room – EUR 4500;

3) for a place where bets or wager stakes are accepted – EUR 2000.

Paragraph five of this Section need not be applied if gambling is only organised via electronic communications services.

The annual re-registration of a gambling licence and a gambling premises licence shall be performed starting from the year following issuing of the relevant licence. The gambling fee for re-registration of a gambling licence and re-registration of a gambling premises licence shall be paid for each current year.

The gambling fee for issuing of a gambling licence and issuing of a gambling premises licence shall be paid prior to issuing of the licence. The gambling fee for issuing, re-registration of a gambling licence and issuing, re-registration of a gambling premises licence shall be paid within 10 working days after a decision to issue, re-register the gambling licence has been announced, or after a decision to issue, re-register the gambling premises licence has been announced.

[*30 November 2015*]

**Section 2.1**The gambling fee shall be paid for issuing or re-registration of a licence for the provision of gambling services.

The gambling fee for issuing a licence for the provision of gambling services shall be EUR 400 000 if more than 25 gambling equipment units, including card game, dice game and roulette (cylindrical game) tables, lottery drawing machines are used throughout the year in the provision of gambling services.

The gambling fee for issuing a licence for the provision of gambling services shall be EUR 120 000 if 25 or less gambling equipment units, including card game, dice game and roulette (cylindrical game) tables, lottery drawing machines are used throughout the year in the provision of gambling services.

The gambling fee for re-registration of a licence for the provision of gambling services shall be:

1) EUR 400 000 if more than 25 gambling equipment units, including card game, dice game and roulette (cylindrical game) tables, lottery drawing machines are used throughout the year in the provision of gambling services;

2) EUR 120 000 if 25 or less gambling equipment units, including card game, dice game and roulette (cylindrical game) tables, lottery drawing machines are used throughout the year in the provision of gambling services.

The annual re-registration of a licence for the provision of gambling services shall be performed starting from the subsequent year following issuing of the licence. The gambling fee for re-registration of a licence for the provision of gambling services shall be paid for each current year.

The gambling fee for issuing a licence for the provision of gambling services shall be paid prior to issuing of the licence. The gambling fee for issuing or re-registration of a licence for the provision of gambling services shall be paid within 10 working days following the date on which the decision on issuing or re-registration of a licence for the provision of gambling services was notified.

If the gambling fee for issuing or re-registration of a licence for the provision of gambling services is accordingly paid in accordance with Paragraph three or Paragraph four, Clause 2 of this Section, but actually more than 25 gambling equipment units have been used in the provision of gambling services, the provider of gambling services shall carry out one of the following actions:

1) pay the difference of the gambling fee in the amount of EUR 280 000 within 10 working days from the date of the occurrence of changes. In such case the re-registration period of a licence for the provision of gambling services shall remain unchanged;

2) pay the gambling fee in accordance with Paragraph two or Paragraph four, Clause 1 of this Section in the amount of EUR 400 000 within 10 working days from the date of the occurrence of changes. In such case the re-registration of a licence for the provision of gambling services shall be carried out after one year from the date of settling the gambling fee payment referred to in this Clause.

[*22 November 2017*]

**Section 3.** An object subject to the gambling tax shall be a gambling organiser – a capital company, gambling premises and gambling devices. The tax shall be collected from each arranged or installed direct gambling premises according to the following rates for each current calendar year:

1) roulette (a cylindrical game) – for each gambling table attached to the rotating device of roulette – EUR 28 080;

2) card and dice games – for each table – EUR 28 080;

3) gaming machines – for each gambling place of each gaming machine – EUR 5172;

4) [22 November 2017].

The gambling tax for a game of chance via the telephone shall be 15 per cent of the revenue from organisation of this game.

The gambling tax for a betting and wager shall be 15 per cent of the revenue from organisation of this game.

The gambling tax for a bingo game shall be 10 per cent of the revenue from organisation of this game.

If gambling is organised via telecommunications, the gambling tax shall be 10 per cent of the revenue from organisation of this game, irrespective of the type of game.

[*16 June 2009; 14 April 2011; 15 December 2011; 19 September 2013; 30 November 2015; 27 July 2017; 22 November 2017; 13 November 2019*]

**Section 4.**

[22 November 2001]

**Section 5.** The gambling tax shall be calculated for each gambling place of each gaming machine and gambling table on each direct gambling premises every month, including the month in which the gaming machine or gambling table is installed or dismantled, as one twelfth of the tax rates referred to in Section 3 of this Law.

The gambling organiser shall, by the first date of each month, report the planned number of operable gaming machines and gambling tables on each licensed gambling premises in the relevant month to the Lotteries and Gambling Supervisory Inspection.

The gambling organiser may move a gaming machine or a gambling table to other gambling premises over a calendar month without changing the total number of gaming machines and gambling tables on each specific gambling premises reported within the time period referred to in Paragraph two of this Section.

[13 November 2019]

[*22 November 2001; 18 September 2003; 14 April 2011; 13 November 2019*]

**Section 6.** The State duty shall be collected from organisers of lotteries for issuing of a special permit (licence) in the following amount:

1) for national lotteries – for each calendar year – EUR 14 230;

2) for local lotteries – for each calendar year – EUR 720;

3) for national instant win games – for each lottery – EUR 1000;

4) for local instant win games – for each lottery – EUR 720;

5) for local one-off lotteries – for each lottery – EUR 35;

6) for interactive lotteries (a licence for organisation of interactive lotteries) – for each calendar year – EUR 10 000.

The State duty for issuing of a new series of instant win game tickets (starting from the second series) shall be as follows:

1) for a national instant win game – EUR 720;

2) for a local instant win game – EUR 720.

[*28 September 1995; 5 August 1999; 22 November 2001; 19 September 2013; 30 November 2015; 23 November 2016*]

**Section 7.** The rate of the lotteries tax and the taxable object for lotteries (also for instant win games) shall be as follows:

1) 10 per cent of the revenue from sale of lottery (also instant win game) tickets, if the prize fund indicated in the lottery (also instant win game) rules is up to 60 per cent of the revenue from sale of lottery (also instant win game) tickets;

2) 10 per cent of the lottery (also instant win game) revenue which is revenue from sale of lottery (also instant win game) tickets from which the prizes calculated for payment have been deducted if the lottery fund indicated in the lottery (also instant win game) rules exceeds 60 per cent of the revenue from sale of lottery (also instant win game) tickets;

3) 10 per cent of the revenue from sale of tickets of interactive lotteries (money, property, numerical games and instant win game) from which the paid prizes have been deducted.

[*23 November 2016*]

**Section 8.** Public organisations and their associations, and religious organisations shall be released from the State duty for issuing of a special permit (licence) and are not subject to the lotteries tax, if they organise local one-off lotteries specified in the Law.

**Section 9.** The gambling tax is not imposed on gambling which is organised in vehicles that are engaged in international voyages if a gambling room may only be used by registered passengers.

**Section 10.** The gambling tax shall be paid each month as one twelfth of the annual total tax rate.

The gambling tax on a game of chance via the telephone shall be paid each month according to the revenue from organisation of the game of chance via the telephone.

The gambling tax which is 15 per cent of the revenue from organisation of betting or wager, shall be paid each month according to the revenue from organisation of totalisator or betting in the relevant month.

The gambling tax for gambling which is organised via telecommunications shall be paid each month from the revenue from organisation of gambling in the current month.

The lotteries tax shall be paid each month according to the revenue from sale of tickets.

Within 15 days after the end of the reporting month, the organisers of lotteries and gambling shall, using the Electronic Declaration System of the State Revenue Service, submit a lotteries and gambling tax report to the State Revenue Service regarding the calculated lotteries and gambling tax for the reporting month. The standard form of the report and procedures for completing thereof shall be determined by the Cabinet.

The lotteries and gambling tax shall be paid for the reporting month until the 23rd date of the following month by paying into the single tax account (within the meaning of the law On Taxes and Fees).

The gambling tax for bingo shall be paid each month according to the revenue from organisation of bingo.

The lotteries and gambling fee shall be paid into the State budget in the budget account indicated by the State fee administration.

A fine for violations of this Law and a late payment charge related to lotteries and gambling tax shall be paid by the organiser of lotteries and gambling into the single tax account.

[*18 September 2003; 16 June 2005; 16 June 2009; 23 May 2019*]

**Section 11.**

[19 September 2013]

**Section 12.**Revenue from the lotteries and gambling fee in the amount of 100 per cent shall be transferred into the State basic budget.

Revenue from the lotteries tax for the organisation of national lotteries (also instant win games) in the amount of 100 per cent shall be allocated to the revenue of State basic budget.

Revenue from the gambling tax for the object referred to in Section 3, Paragraph five of this Law in the amount of 100 per cent shall be allocated to the revenue of State basic budget.

Revenue from the lotteries tax for the organisation of local lotteries (also instant win games) and revenue from the gambling tax (except for revenue from the gambling tax for the object referred to in Section 3, Paragraph five of this Law) shall be distributed by the State Revenue Service, according to Paragraphs five and six of this Section, by local government budgets and allocated to the revenue of State basic budget.

The State Revenue Service shall, within two working days after the deadline for the payment of lotteries and gambling tax specified in Section 10, Paragraph seven of this Law, distribute and allocate the tax revenue as follows:

1) revenue from the lotteries tax for the organisation of local lotteries (also instant win games) in the amount of 100 per cent shall be transferred into the budget of the local government in the territory of which the lottery (also instant win game) was organised;

2) revenue from the gambling tax (except for revenue from the gambling tax for the object referred to in Section 3, Paragraph five of this Law) in the amount of 5 per cent shall be transferred into the budget of the local government in the territory of which the gambling was organised but in the amount of 95 per cent shall be allocated to the revenue of State basic budget.

Upon performing the distribution of tax revenue specified in Paragraph five of this Section according to the tax payments actually made by the organisers of lotteries and gambling and in accordance with the report referred to in Section 10, Paragraph six of this Law, the State Revenue Service shall allocate the paid tax amount to the respective local government only on the basis of information of such report regarding which the relevant payment has been made, and also taking into account the proportion expressed as percentage of the total tax amount indicated in the report that is to be allocated to the respective local government.

A fine for violations of this Law and a late payment charge related to lotteries and gambling tax shall be allocated by the State Revenue Service to the revenue of State basic budget.

[*23 May 2019; 13 November 2019*]

**Section 13.** If the object subject to the lotteries tax or the gambling tax is hidden or false information has been provided, the State Revenue Service institutions shall, in accordance with legal acts according to the non-adversarial procedures, collect the entire amount of the tax due for the object in the State basic budget, as well as the fine in the amount of 100 per cent of this amount, but if the abovementioned violations are repeated within three calendar years – in the amount of 250 per cent.

[*11 November 1999*]

**Section 14.** If a capital company misses a deadline for tax payment, late charges shall be calculated for each day of delay in the amount of 5 per cent of the amount not paid in time. If the deadline is missed for more than 30 days, the State Revenue Service institutions shall suspend organisation of lotteries and gambling by the capital company and suggest cancelling the relevant licence.

If the relevant licence is cancelled, the State duty paid for issuing thereof shall not be repaid.

[*28 September 1995; 30 November 2015*]

**Section 15.**

[1 July 2011; 14 April 2011. See Paragraph 12 of Transitional Provisions]

**Transitional Provisions**

1. In accordance with the procedures laid down in the Law on Lotteries and Gambling, re-registration of special permits (licences) and the State duty for issuing of a special permit (licence) referred to in Section 2 of this Law shall be paid by 31 December 1994.

2. Section 6, Clause 5 of this Law shall not apply to the companies (undertakings) which have received a special permit (licence) for organisation of local one-off lotteries until the day of coming into force of this Law, until the end of the period of validity of this permit.

[*22 November 2001*]

3. Amendments to Section 2, Paragraph one, Clause 1, Sub-clauses “b” and “c”, Sub-clauses “d” and “e”, amendments to Section 3, Paragraph one, Clause 7, Paragraphs three and four, amendments to Section 5, Paragraphs two and three, Section 10, Paragraphs three and four of this Law shall come into force on 1 January 2004.

[*18 September 2003*]

4. Section 2, Paragraph four, amendments to Section 3, Paragraph one, Clauses 8 and 9 of this Law shall come into force on 1 January 2005.

[*18 September 2003*]

5. Companies (undertaking) which have 31 December 2003 set as a deadline for re-registration of a special permit (licence), shall pay the following State duties:

1) for annual re-registration of a special permit (licence) – LVL 25 000;

2) for a permit (licence) for opening of a casino – LVL 20 000;

3) for a permit (licence) for opening of a gambling room or a bingo room – LVL 1500.

[*18 September 2003*]

6. From 1 January 2004 to 1 January 2005 the State duty for a permit (licence) for opening of a casino, a gambling room or a bingo room shall be paid prior to receipt of the permit (licence).

[*18 September 2003*]

7. From 1 October 2003 to 1 January 2004, the gambling tax rate for video games and mechanical machines shall be LVL 600 for each gambling place of each machine.

[*18 September 2003*]

8. From 1 January 2004 to the day the rates referred to in Section 3, Paragraph one, Clauses 8 and 9 of this Law enter into effect, the following gambling tax rate shall be applied to video games and mechanical machines:

1) video games and mechanical machines installed in casinos and gambling rooms – for each gambling place of each machine – LVL 720;

2) video games and mechanical machines installed outside casinos and gambling rooms – for each gambling place of each machine – LVL 1020.

[*18 September 2003*]

9. When determining the amount of the State duty to be paid for issuing of marking starting from 1 January 2004, the Cabinet shall provide for additional financing for the Lotteries and Gambling Supervisory Inspection of the Ministry of Finance in order to ensure supervision and control of the organisation of lotteries and gambling by using the latest technologies and supervision and control methods.

[*18 September 2003*]

10. Amendment to Section 2, Paragraph one, Clause 1, Sub-clause “e” of this Law with regard to determination of the State duty in the amount of LVL 3000 for a permit (licence) for opening of a gambling room or a bingo room shall be applied to the persons who receive, extend or re-register the special permit (licence) starting from 1 January 2006.

[*16 June 2005*]

11. Amendments to Section 3, Paragraph one, Clauses 8 and 9 of this Law with regard to determination of the tax rate for video games and mechanical machines (in the amount of LVL 1680 in casinos and gambling rooms and in the amount of LVL 2280 outside casinos and gambling rooms respectively) shall come into force on 1 January 2007. From 1 January to 31 December 2006, the following tax rate shall be applied to video games and mechanical machines:

1) video games and mechanical machines installed in casinos and gambling rooms – for each gambling place of each machine – LVL 1260;

2) video games and mechanical machines installed outside casinos and gambling rooms – for each gambling place of each machine – LVL 1680.

[*16 June 2005*]

12. Amendment with regard to deletion of Section 15 of this Law shall come into force on 1 July 2011.

[*14 April 2011*]

13. A gambling organiser who has received a gambling licence for organisation of gambling on gaming machines, bingo, roulette (cylindrical games), card and dice games, or a gambling licence for organisation of betting or wager until 31 December 2015, shall, starting from 2016, pay the gambling fee for re-registration of the gambling licence in the amount and in accordance with the procedures laid down in Section 2 of this Law when performing annual re-registration of the abovementioned licence in accordance with the procedures laid down in the Law on Gambling and Lotteries.

[*30 November 2015*]

14. A gambling organiser who has received a licence for acceptance of bets or wager stakes until 31 December 2015, shall, starting from 2016, pay the gambling fee for re-registration of the gambling premises (a place where bets or wager stakes are accepted) licence in the amount and in accordance with the procedures laid down in Section 2 of this Law when performing annual re-registration of the abovementioned licence in accordance with the procedures laid down in the Law on Gambling and Lotteries.

[*30 November 2015*]

15. Amendment to Section 12, Paragraph five of this Law regarding its rewording shall come into force on 1 January 2021.

[*13 November 2019*]

This Law shall come into force on 1 January 1995.

This Law has been adopted by the *Saeima* on 16 June 1994.

President G. Ulmanis

Rīga, 2 July 1994