CLIENT UPDATES AND ALERTS JANUARY 2019

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GAMING LAW



RESTRICTION ON ADVERTISEMENT OF GAMING ACTIVITIES IN TANZANIA

A. Introduction

The Government has on 23rd January, 2019 restricted the advertisement of Gaming Activities in Tanzania. On its letter that was addressed to Gaming Companies in Tanzania, the Government instructed that the measure is meant to control such advertisements that are likely to endanger the spirit of responsible gaming in Tanzania.



B. The Restriction

- i). Gaming activities in Tanzania are regulated by the Gaming Board of Tanzania, a statutory board established under the Gaming Act Cap. 41 ("the Board"). The Board is responsible for licensing, overseeing, monitoring and regulating the conduct of gaming activities in Tanzania. Gaming activities regulated by the Board includes casinos, national lotteries and route operations (slot machines), Internet casinos, SMS lottery and sports betting, among others.
- ii). The restriction of advertisement came after the earlier meeting held between the President Dr. John Pombe Magufuli and religious leaders who raised concern over the excessive promotion of gaming activities in Tanzania. The restriction of the advertisement of gaming activities cuts across all local media channels including radio and televisions. The notice also calls for Television and Radio stations owners not to advertise or air any



advertisements relating to gaming activities pending Gaming Board Directives on the matter.

KEY ISSUES:

The gaming Board intervention is meant to control such advertisements hence endanger the spirit of responsible gaming in Tanzania.

About FIN & LAW

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highly accredited law firm in
Tanzania with top notch legal
practice on corporate and
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Markets, Wealth Management,
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Property law, Mining, Oil &
Gas, Tax, Commercial
Litigation, Merges and
Acquisitions, Competition and
Anti-Trust law.

C. Recent Legislative changes on Taxation of Gaming Activities in Tanzania

It is important to note that, in the 2018/2019 annual budget as well as the consequential amendment of the Finance Act, 2018 (Act No. 4 of 2018) the government made amendment of the Gaming Act, Cap. 41 to increase gaming taxes and rates as follows:-

- i). **Sports Betting Operations:** Increase from 6% on stakes (sales) to 25% on gross gaming revenue.
- ii). Forty Machines Sites: Internet Casinos: Increase of gross gaming revenue from 15% to 25% on gross gaming revenue.
- iii). **Slot Machines:** Increase the gaming tax from TZS 32,000 to TZS 100,000 per machine/month on slot machines.
- iv). Land Based Casino: Increase from 15% on gross gaming revenue to 18% on gross gaming revenue for land-based casino operators.
- v). **Tax on Winnings:** for gaming customers, section 31(A) (1) of the Gaming Act has been amended whereby the tax on winnings has reduced from 18% to 12% for winnings from land-based casinos and increased to 20% for other winnings.

Despite the restriction on the advertisement, the Gaming Board called for a stakeholders consultative meeting to devise a suitable and lasting solution to advertising of gaming activities.



CONTACTS

For further information on

Clients Legal Updates please

contact:-

FIN & LAW

FIN & LAW House,

193 Rose Garden Road,

14112 Mikocheni Area,

P.O. Box 32945,

Dar es Salaam, Tanzania

T: +255 22 277 3815

F: +255 22 270 1493

M: +255 (o) 784 808 999

E: info@finandlaw.com

W: www.finandlaw.com

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