



30/06/2025

Esteemed Taxpayer,  
Betting & Gaming Sector

Dear Sir/Madam,

**RE: THE FINANCE ACT, 2025**

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I take this opportunity to appreciate your support in our objective to enhance tax compliance in the Betting & Gaming Sector, in the financial year 2025/26. You are encouraged to continue with the same spirit of voluntary compliance.

Following the enactment of the Finance Act, 2025, Excise Duty on betting and gaming has changed from **15%** of the amount wagered or staked to **5% on the amount deposited into a customer's wallet** effective **1<sup>st</sup> July 2025**. The amount deposited into a customer's betting wallet means the amount of money transferred by a customer into the customer wallet maintained by a licensed betting and gaming operator for betting and gaming purposes.

Further, Withholding tax has changed from **20%** in respect of net winnings to **5% in respect of withdrawals made by punters** effective **1<sup>st</sup> July 2025**. Withdrawals means the amount of money withdrawn by a customer from their betting or gaming wallet maintained by a person licensed under the Betting, Lotteries and Gaming Act.

Kindly get in touch with the KRA Business Application Support Team on your skype group for any support on implementation of the above changes.

Please take note and implement accordingly.

Yours faithfully,

**Daniel Kagira**

**For: Commissioner, Large & Medium Taxpayers Department**