2026 BETTING AND GAMING TAXES IN ZAMBIA

All companies that offer gaming and betting services in Zambia are required to pay applicable taxes as required by the law through the Zambia Revenue Authority. The purpose of this write up is to highlight the different types of taxes payable by gaming and betting companies in 2026.

Below are the tax types that all betting and companies are required to pay in 2026 in Zambia;

THE BETTING LEVY TAX

The Betting Levy Act No 27 of 2025 introduced a betting levy tax at a rate of 5% in 2025 but effective 1st January 2026 to be levied and paid by the betting company for all deposits made to a customer's gaming account and all withdraws from a customer's gaming account.

According to the Act, the betting company is required to submit a return to the Commissioner General within 10 days at the end of each month and remit the total levies collected for the month to the ZRA or Commissioner General.

The act also guides that Commissioner General may appoint a person as an agent to withhold the Levy before facilitating any payment to or from the Betting Company.

PENALTIES FOR NON-COMPLIANCE

According to the Act, non-compliance by Betting and Gaming companies is liable to a Three Hundred Thousand Penalty Units. However, a waiver for a Betting Levy penalty may be done in full or partially at the discretion of the Commissioner General.

EXEMPTIONS TO THE BETTING LEVY

The Act guides that Brick and Mortar betting companies (Companies that conduct betting activities at a physical premise where a customer places a bet in person through cash, electronic means or any other payment method) are exempt from paying the Betting Levy.

The Act further states that any person may be exempted if passed through a statutory instrument by the Minister.

RECORD KEEPING REQUIREMENTS

In line with the Act, all Betting and Gaming companies are required to maintain records for at least a period of six (6) years. However, the Commissioner General has the right to extend the period for record keeping.

The Act guides to maintain electronic records such as;

1. Customer's gaming Account number
2. Date and time of transactions
3. Transaction amounts
4. The Levy calculated and deducted.

PRESUMPTIVE TAX ON GAMING AND BETTING

Under the Income Tax Act, presumptive taxes are estimates of tax payable that are used in dealing with incomes or activities that are hard to tax such as the informal sector.

Effective 2026, services that attract presumptive taxes are as follows;

1. Casino games (Brick and Mortar) K5000 per table
2. Lottery winnings (Brick and Mortar) 15% of net proceeds. i.e. the gross proceeds less sums paid for the prizes.
3. Gaming Machines K500 per machine
4. Betting 15% of gross takings. i.e. the total amount staked by players less winnings payable.

In 2025, all persons carrying out gaming and betting business were no longer eligible to register for income tax or turnover tax. However, effective 2026, the betting companies that offer online services below are required to register for Income Tax at 30% of net profit and not Presumptive tax.

1. Online Casino Live games
2. Online Casino Machine games
3. Online Lottery Winnings
4. Online Betting

PENALTIES APPLICABLE FOR NON-COMPLIANCE TO PRESUMPTIVE TAX

Late submission of return attracts 1000 penalty units per month while late Payment of tax payable attracts 5% of the amount that remains unpaid plus interest at the Bank of Zambia rate of 2%.

Under-declaration of income by negligence attracts a penalty of 50% of the income that is omitted while willful default attracts 100% of the income omitted and under-declaration of income by fraud attracts 150% of the income omitted.

Tax evasion or fraudulent returns attract 150% of the income omitted and 300,000 penalty units or 3 years imprisonment or both.

CUSTOMS AND EXCISE DUTY

In 2025 under the Customs and Excise (Amendment Act) No 11 of 2025, a 10% Excise duty was introduced on all betting stakes that was payable by betting firms every month by 15^{th} of the following month.

This type of tax was borne by betting players and not operators. However, in 2026 the rate for Excise Duty was reduced to zero.

OTHER TAXES APPLICABLE

Gaming and betting companies are exempted from paying Value Added Tax. However, they are still eligible to pay Withholding Tax (WHT), Pay As You (PAYE) Tax and Skills Development Levy.