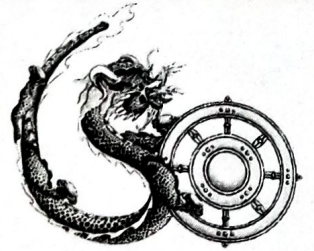




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ROYAL GOVERNMENT OF BHUTAN
MINISTRY OF FINANCE
TASHICHHO DZONG



DRC/TAX-M&E/NOT-01/2020/ 2242

14 May 2020

NOTIFICATION

Sub: Taxes on Lottery Winnings

This is to notify that the 3rd Session of the Third Parliament has enacted the Income Tax (Amendment) Act of Bhutan 2020 as follows:

1. In the Income Tax Act of Bhutan 2001, after Part III, a new Part is inserted, namely:

“Part IV, Chapter 1, Taxes on Lottery Winnings.”

2. Tax Rates

Income Tax at the rate of 20 percent shall be applicable on all lottery winnings or prizes equal to or more than Nu.5,000 per lottery ticket. Applicable tax shall be deducted at source and treated as final tax.

3. Assessment

Assessment of the income tax on lottery winnings shall be in accordance with the Rules.

4. Collection and deposit of taxes

Authorized lottery operating entities and their agents shall collect and deposit the applicable income tax on lottery winnings in accordance with the Rules.

The taxes on lottery winnings will come in force with immediate effect.

(Namgay Tshering)
FINANCE MINISTER