

The logo for BDB Law is contained within a white rounded rectangle on a red background. It features the text "BDB Law" in a large, white, sans-serif font, with "BDB" in all caps and "Law" in title case. Below this, the text "DU-BALADAD AND ASSOCIATES" is written in a smaller, white, all-caps sans-serif font.

BDB Law

DU-BALADAD AND ASSOCIATES

ADVISORY

SERIES OF 2026

Clarification on the Inclusion of
Jackpot Prizes from Casino and
Other Gambling Activities Within
the Statutory Definition of
“Winnings”

**CLARIFICATION ON THE INCLUSION OF JACKPOT PRIZES
FROM CASINO AND OTHER GAMBLING ACTIVITIES WITHIN
THE STATUTORY DEFINITION OF “WINNINGS”**

I. Coverage

- ✓ Applies to jackpot prizes or similar winnings derived by individuals, whether citizens or aliens, from participation in casino gaming and other gambling activities.
- ✓ This includes jackpot prizes or winnings from activities conducted by both licensed gaming operators and unlicensed or unauthorized gaming operators.

II. Tax Base and Final Withholding Tax Rate

Individual	Tax Rate	Tax Base
Resident Citizen	20%	Gross amount of the jackpot prize or winnings, without any deduction for service charges, administrative fees, commissions, or other similar charges
Non-Resident Citizen		
Resident Alien		
Non-Resident Alien Engaged in Trade or Business		
Non-Resident Alien Not Engaged in Trade or Business	25%	

III. Penalties

Failure of the withholding agent or gaming operator to withhold and remit the correct amount of final tax on jackpot prizes or winnings shall render such party liable for the corresponding surcharge, interest, and compromise penalties, without prejudice to the filing of appropriate criminal actions.

IV. Effectivity

This Circular shall take effect immediately.

Source:
BIR RMC No. 57-2026
May 26, 2026

Learn more:

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Du-Baladad and Associates (BDB Law) is a multi-awarded, global tax law firm in the Philippines that offers services around 3 major areas of practice – **tax**, **legal** and **consulting**.

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