

Italy



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Market Dynamics

- Regulated and commercially operated – Amministrazione Autonoma dei Monopoli di Stato (AAMS) is the sole licensee with operators awarded concessions at specific times;
- The market was opened to EU and European Economic Area (EEA) licensed operators, following European Court of Justice (ECJ) cases;
 - Gambelli (C-243/01)
 - Placanica (C-338-04)
- These cases led to the passing of the Bersani Decree, in 2006 and the Abruzzo Decree, in 2009;
- Licenses granted under the Bersani Decree, expired mid-2016 and were extended to 2022 (in line with recent licenses) and a new application procedure for 80 additional licenses was initiated; A new interactive tender was launched;
- Football, tennis and volleyball remain the most popular sports betting markets.

Legality

- Interactive gambling is legal and regulated; betting was legalised since 2007, tournament poker, since September 2008, cash poker and casino since July 2011 and exchange betting since April 2014;
- Since 2007, there have been attempts to block the ISPs of offshore licensed sites; whether such action is in accordance with EU law is unclear;
- Liquidity is ring fenced for poker and other products.

Taxation

- Interactive gambling taxation;
 - Casino: 25.5% of gross win (minimum pay-out 80-90%);
 - Bingo and poker: 25.5% of gross win (minimum pay-out 70%);
 - Sportsbetting: 24.5% of gross win;
 - Horse race betting: 24.5% of gross win;
 - Virtual betting: 24.5% of gross win;
 - Betting exchanges: 20% of gross win;
 - All online gambling licensees subject to an additional 3% tax on gross win under new licenses awarded in 2024 (pushed back to launch in 2025).

- Land-based gambling taxation;
 - AWP/Comma 6/New Slots: 24% turnover (minimum pay-out 68%);
 - Video Lottery Terminals (VLTs): 8.6% turnover (minimum pay-out 84%).
 - Bingo: 11% of turnover plus a 1% Sogei fee (minimum pay-out 70%);
 - Sportsbetting: 20.5% of gross win;
 - Horserace betting: 20.5% of gross win;
 - Virtual betting: 24.5% of gross win.
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Regulatory Bodies

- Agenzia delle Dogane e dei Monopoli – AAMS
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Key Legislation

- Bersani decree 2006; Finance Act 2007; Abruzzo decree 2009; Comunitaria decree 2011.
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Market Regulation Developments

June 2010

- Microgame lodged a complaint against the cash poker and casino decree; this delayed the introduction of games into the market.

December 2010

- Microgame's challenge to the cash games decree was rejected by an Italian court;
- Microgame announced that it would not appeal, allowing cash poker and casino to go ahead;

February 2011

- The cash games decree was passed in to law on 04 February 2011 to allow casino and cash poker games. Both games were subject to 20% GPT and buy-ins for totem (terminal) skill games (including poker) raised from €100 to €250, with a 90% network payback in prizes;
- AAMS initiated proceedings to remove Betfair Italia's (betfair.it) license under claim Betfair were taking bets via the dot com site avoiding Italian gaming tax; the order was upheld by an Administrative Court and by the Court of Appeal;
- The government published the cash games decree. Taxation was set at 20% GPT with an increased maximum buy-in to €250, with a 90% payback ratio, a maximum initial stake of €1,000 and the allowance of multi level tournaments.

June 2011

- France and Italy signed a memorandum of understanding that formalised information sharing and discussing common issues, such as fraud and player protection.

September 2011

- The government announced a blacklist of illegal offshore operators. H2 understood that AAMS would investigate to prevent financial transactions to and from blacklisted operators.

January 2012

- The government introduced an exchange betting decree and bets on virtual events decree.

February 2012

- The Ministry of Finance considered a change from 20% GPT to 1% on turnover for casino and poker. H2 understood that no change would be implemented due to strong opposition and incentive to retain onshore players.

March 2012

- A court rejected AAMS appeal regarding Lottomatica lottery concession ending on 17 April 2017 (as opposed to 08 June 2012);
- The government announced it had discussed banning gambling advertising. H2 understood a blanket ban would be unlikely; rather, restrictions similar to those within the UK would be imposed (i.e. time slots, stress only a possibility of winning and restrictions on billboard locations).

May 2012

- AAMS signed a memorandum of understanding with the National Anti-Mafia Directorate following rumours that the gambling industry had attracted an increased interest from Italian organised crime;
- Following a detailed opinion from Spain, the EC approved the betting exchange decree.

June 2012

- AAMS released regulations that allowed license requests to be submitted for online slot machines (the regulations were set to have effect from 3 December 2012). Decrees pending approval at the time of writing included a decree that would allow fixed odds bets outside the official AAMS schedule and a decree that would permit new variations of bingo.

July 2012

- Italian casino and cash poker games launched (18 July 2012);
- A decree was published by AAMS for fixed odds virtual event betting. The decree set out an 18-month trial period for AAMS to create requirements for platforms and operating methods including monitoring; the product was taxed at 20% GPT with an 80 to 90% payout for single bets and 60% to 90% for multiple bets. H2 understood that a decree relating to pari-mutuel betting would follow;
- AAMS issued regulation for fast poker that included a limit of 5,000 players per session and a €1,000 per session maximum.

August 2012

- Italy notified the EC (2012/474/1) of proposed online bingo regulations. The regulations contained no restrictions on game variation; however, H2 understood that platforms would be required to pass third-party testing for suitability and RNG reliability. The regulations set minimum bets per card at €0.01 and a maximum of €10; the EC review is subject to the completion date set to 12 December 2012. H2 understood that the regulations were less restrictive than the existing regulation which is based on the land-based industry.

September 2012

- Italy adopted the Balduzzi decree on gambling advertising. Under the decree, advertisement must not create an incentive to the gambling activity or to exalt games. The decree applied to both the interactive and land-based industry with fines for breaches of up to €500k. The decree would begin to have effect from January 2013.

November 2012

- AAMS announced a ban on installation of new totem devices. H2 understood that this would appease land-based operators prior to the interactive slots opening (set for December 2013); land-based machines are subject to 4% turnover tax as opposed to 20% GPT for online.

December 2012

- Italian slots opened at a tax rate of 20% GPT with numerous operators receiving licenses; no major operators were excluded.

January 2013

- AAMS published a draft protocol for remote bingo (Protocollo per il Bingo a distanza) that was due to come into force before the end of third quarter, 2013. The consultation period for the draft protocol was given a deadline of 22 February 2013. H2 understood that under the draft protocol, remote bingo would be moved away from (more restrictive) land-based bingo hall regulation to bring it in accordance with other offshore bingo operators.

February 2013

- AAMS approved betting on virtual sports and initiated an operator-testing period. The national tote is responsible for ensuring licensees payout and Remote Number Generator (RNG) meet specific criteria. A daily limit of 500 events was set with a requirement on operators to publish a schedule of events.

March 2013

- The Finance Minister approved the exchange betting decree exchanges were required to be ring fenced and 20% gross profits tax was set.

April 2013

- AAMS announced tax rates would remain the same going forward, stating interactive gambling needed a lower tax rate than land-based to allow licensed operators to compete with unlicensed operators; Following approval of the draft decree by the EC, AAMS published a draft protocol that detailed the technical requirements for bookmakers to offer markets not included in the Palinsesto. AAMS stated that when operators display incorrect odds they must honour the payout. H2 understood that this could requirement could fall under scrutiny due to a court judgment that stated bets in similar circumstances were not enforceable where players knowingly took advantage of incorrect odds.

May 2013

- Italian exchange betting regulations were published without setting a start date. A maximum payout was set at €10k and odds were permitted on events in the Palinsesto and other areas providing a submission to the regulator was made. 20% GPT was set with a payout ratio of 90%.

August 2013

- The official AAMS blacklist was expanded to 4,513 domain names that ISP's were ordered to block. H2 understood ISP restrictions to be largely ineffective due to the availability of bypassing restriction methods.

September 2013

- The Italian parliament passed a motion to ban all gambling, in public places and online, for a period of 12 months. The Ministry of Finance immediately issued a statement declaring it as, inapplicable, for the following reasons; indemnity claims from operators, contrast to EU freedom of services, growth of the black market and enormous tax loss for the country;
- AAMS further extended its schedule of allowed bets to include both in play and pre-match betting; 23 markets were added taking the total to 55 in the last two months.

October 2013

- The Italian regulator confirmed announced a plan to license B2B software providers in addition to B2C customer facing operators. H2 understood the license would include a requirement that suppliers would be prohibited from providing games used by unlicensed operators and that the law would be adopted in approximately 12 months.

December 2013

- AAMS published an updated blacklist with 4,715 URLs. The blacklist is available to read at http://www.aams.gov.it/sites/aams2008/files/documenti_old/private/downloads/documentazione/scommesse/Elenco_siti_inibiti/elenco_siti_inibiti.rtf

January 2014

- AAMS hosted a meeting in Rome with representatives of gambling regulators from France, Germany, Portugal, Spain and the UK to discuss legal, standards and compliance issues. H2 understood that the meeting partly focused on sharing liquidity pool options;

February 2014

- A vote on delegating secondary legislation that would modify existing law related to taxation of interactive sportsbetting was scheduled (current legislative provisions state the taxation rate for sportsbetting can only be amended under urgent circumstances). H2 understood that the law will pass to the next stage of the legislative process and taxing interactive sportsbetting on a percentage of gross gambling revenue (as opposed to turnover) would be discussed at this point;
- Draft legislation was discussed in Parliament that would allow the government to restrict gambling advertisement during television and radio programmes.

April 2014

- Betfair launched the first betting exchange in Italy; the exchange liquidity is ring fenced with 20% gross win tax. H2 understood that a preliminary study toward international liquidity between Spain, Britain and Italy had begun.

May 2014

- AAMS made an agreement with World Match, to only allow its games to be used on licensed Italian operator sites as part of the drive to reduce the size of the offshore market.

June 2014

- Rational Group announced plans to launch interactive casino in Italy; the trend followed from Rational Group securing a license in Spain.

October 2014

- The introduction of a bill to reduce taxation for sportsbetting (from turnover to gross win) was speculated. H2 understood that it had been suggested the bill would arrive before January 2015;
- Following a report into tax losses from illegal interactive gambling company avoidance (€122m), the government announced a broad investigation into unlicensed gambling operators of all interactive gambling products and stated those found to be operating without a license would be issued with an immediate fine; players would also be fined;
- CJEU ruled in favour of professional poker players (Pier Paolo Fabretti, (PokerStars) and Christiano Blanko) – accused of failing to declare offshore winnings – stating that Italy's direct taxation had not been implemented in accordance with EU law. Fabretti and Blanko were accused of withholding various taxable incomes and taxations from winnings accumulated outside Italian territory. The CJEU held that "The national legislation, by restricting the benefit of a tax exemption only to winnings from games obtained in the Member State at issue, makes the provision of services constituted by the organization of gambling for remuneration subject to different tax arrangements depending on whether that service is carried out in that Member State or in other Member States" and that this "gives rise to a discriminatory restriction on the freedom to provide services as guaranteed by Article 56 TFEU in relation to not only service providers but also the recipients of those services";
- Government announced plans over increased AWP and VLT tax, subject to approval from Parliament and the EC. Under the proposed change, AWP's would be taxed at 9% turnover (up from 5%) with minimum pay-out 81% (down from 85%). The rate on VLTs would increase to 17% (up from 13%) with minimum pay-out 70% (down from 74%). H2 understood a schedule for implementation was not set. If approved, H2 would expect the changes to be implemented in the 2015/16 tax year and generate up to €1bn.

January 2015

- The Italian Budget Law for 2015 came into force on 01 January 2015 and made a number of changes to the gambling sector. The tax increase on VLT and AWP's was removed, but each licensee would be required to contribute to an annual contribution of €500m, proportionate to the number of machines operated by licensees. The contribution would be provided within the implementing measures of the Fiscal Delegation Law. The changes contained provisions that would increase the tax liabilities for Internet café establishments that operate gambling activities through licensed offshore operators through a series of authorisation conditions, which if met would enable the establishments to apply for gaming licenses in 2016, as well as failure to comply sanctions. The legislation also contained a new application process for a €700m Lotto license for operators within the market;
- The additional tax on VLT and AWP licensees came into force, with allocations being made amongst commercial operators. The AAMS, identified that some licensees had taken measures to reduce the number of VLTs and AWP's they operated in response to the changes in regulation. Potential implications that could arise from the additional tax regulations include legal challenges against the measure and acquisitions, as large organisations look to capitalise on small operators that face challenges resulting from a tax increase;

January 2015 con...

- The CJEU ruled against Stanleybet International Betting Ltd and Others, in proceedings dating back to 2013. Stanleybet had been operating in Italy for approximately 15 years through Data Transmission Centres (DTCs). The claim was made against an Italian tender process in 2013, for land-based betting shop licenses on a 40-month term, on account that the licenses usually awarded were done so on a nine-year term and the bookmaker argued such activity was not compliant with EU law, following previous CJEU decisions. In its ruling, the CJEU, found that EU law did not preclude Italy, from organising a fresh call for tenders to award operating licenses on a shorter term, than that of licenses previously awarded, and so Italy had not acted in breach of EU law. As such, the betting shop licenses awarded in 2013 shall remain in force. The Italian courts are yet to determine whether DTCs would be prohibited in the market without authorisation, as a result of the CJEU's decision.

February 2015

- The final draft of the Italian decree to amend turnover tax in gambling, to a gross gambling revenue scheme with maximum tax rate of 20% across all verticals, was submitted to the government. Under the decree, the proposed tax rate was 60% for AWP, 40% for VLTs, 20% for sports betting 42% for bingo. The decree also included a provision to extend the range of bets, licensed operators would be permitted to offer.

March 2015

- The government published the latest draft of, Delega fiscale, which would set a new regulatory framework on gambling upon implementation. The new framework would overhaul the existing tax regime, moving to gross gaming revenue across all verticals (rates yet to be determined); increase protection levels at establishments where AWP could be installed, which would likely lead to a reduction of AWP in around 20% of those installed within the market; bring an end to the requirement for sports betting operators to comply with the AAMS schedule, which would enable sports betting operators to offer customised bets and events; authorise internet cafes that link up to interactive offshore operators to operate as betting establishments; and clarify advertising rules, with the introduction of time restrictions on gaming advertisements. The changes to the sports betting framework would likely increase the size of the market and bring a number of opportunities for operators, as well as B2B suppliers. A work proposal was also introduced by the Finance Secretary on nationalisation of the four casinos located in the northern part of Italy, as well as establishing new casinos in other regions. H2 project the bill to be subject to further amendments going forward, prior to its implementation this year.

April 2015

- An Italian Administrative Court rejected the claim brought by licensees seeking an interim injunction against the €500m VLT and AWP fee proposed under the Delega Fiscale. This caused uncertainty over whether the initial payment of €200m due at the end of April would be paid; the full hearing was scheduled to begin on 01 July 2015;
- The Italian government initiated a review over gambling advertisement regulations to determine the extent restrictions could be imposed without breaching EU law. The primary restriction considered would be a prohibition on gambling advertisement before midnight.

July 2015

- On 22 July 2015, Italian police seized assets worth €2bn and issued 41 arrest warrants in raids on domestic and offshore gambling companies operated by the Ndràngheta mafia organisation. The crackdown targeted 1,500 betting shops, 82 interactive gambling websites, 45 domestic companies and 11 offshore organisations: six based in Malta, two in Spain, two in Romania and one in Austria. Major operators in the police investigation included BetUniq, People's S.R.L, and Microgame S.P.A. The offshore companies whose assets were frozen included Uniq Group Limited; Uniq Shopping Limited; Tebaral Holdings Ltd; Tebaral Trading Ltd; BetSolutions4U; Fast Run Limited; Uniq Group Buchmacher GmbH; Be. Uniq Est S.R.L; Zeta Gaming S.R.L; Crossbit S.L; and Mirospace S.L. Police reported the organisations raided, were used to launder vast quantities of money through gaming accounts assigned to both willing and unknowing persons.

October 2015

- The AAMS submitted a range of new gambling laws to the government for consideration. One of the proposed rules seeks to approve remote control mini-video lottery terminals and 'newslots' for launch within the next two (2) years to replace approximately 400,000 existing machines. A new GGR tax is proposed at 58% for 'newslots' and 48% for VLTs. The AAMS also outlined the options to deal with the sports betting licenses which will expire in 2016, the government will consider launching a new tender process or simply extending the current licenses for three years;
- The Italian Parliament published a revised budget law containing detailed provisions for the future of the online and land-based gaming sector. The government will award 120 online gaming licenses for a period of six (6) years following a new licensing procedure to commence 31 July 2016. Under the Tax Stability Law, 10,000 new betting shop and 5,000 new betting corner licenses will be awarded for a term of nine (9) years, the application process will take place between 01 May 2016 and 31 July 2016. 250 bingo licenses will also be awarded; however, license application details were not provided. The cost of an online gaming license is €200k, betting shop license costs begin at an initial bidding price of €32k whilst betting corner licenses begin at €18k;
- The government increased the taxation on AWP's to 15% of gross gambling turnover whilst VLT tax increased to 5.5% of gross gambling turnover;
- The AAMS implemented the new protocol for sports betting set out in latest draft of the Delega fiscale in March 2015. Sports betting operators are now permitted to offer fully customized bets and are no longer restricted only to events listed in the official schedule. However, prize pay-outs for all bets must be capped at a maximum of €10k. Operators are required to abide by the PSQF communication protocol, published on 26 October 2015, which utilises a request and response system between client and server.

November 2015

- The self-regulatory advertising authority, Istituto dell'Autodisciplina Pubblicitaria, introduced new guidelines for the advertisement of gambling. The guidelines seek to further the protection of vulnerable persons through a number of measures which tighten the parameters of communication available to operators;
- The Administrative Supreme Court granted its approval for the tender process for the Lotto license to commence. The license tender was outlined in the 2015 Budget Law but several points that required amendment were highlighted by the Court. The Ministry of Finance addressed the amendments allowing the AAMS to begin the process when everything is in place.

December 2015

- A number of amendments to the draft budget law were approved by Parliament. The AWP taxation was further increased to 17.5% of gross gambling turnover, whereas the tax on land-based sports betting will be set at 18% of gross gambling revenue. Online sports betting will be subject to 22% tax on gross gambling revenue, similarly, online skill games and online bingo will be taxed at 20%. The changes for these online products will take effect 1 January 2016, excluding bingo which is set to come into force on 1 January 2017. Amendments to advertising regulations and locations of gaming establishments were also included;
- The AAMS launched the tender process for the exclusive national Lotto license. Interested parties are required to submit bids from €700m by 16 March 2016.

March 2016

- The government passed legislation to extend the number of virtual sports events that can be offered on land-based and online channels from 500 to 2,000 per day. The AAMS also extended the opening times imposed on betting shops by 2 hours, this means the shops will be able to offer their services until 3am;
- The AAMS announced the liberalisation of the sports betting market will be completed on 21 March 2016. On this date the ADM schedule of approved events and bets will be abolished, and the new protocol will be officially implemented.

April 2016

- The AAMS submitted a draft decree, which seeks to remove a number of restrictions imposed on virtual sports betting, to the European Commission. The decree would bring about the full liberalisation of virtual sports betting events and bet types as well as further expansion of the number of events that may be offered per day. The EC have until 1 July 2016 to submit a detailed opinion regarding the legality of the proposals;
- A consortium led by IGT subsidiary Lottomatica, was provisionally awarded the concession for the exclusive national Lotto license by the ADM. The final award of the concession is expected to be made in Q2 2016. The consortium is made up of Lottomatica, IGH, Arianna 2001 and Novomatic.

June 2016

- The government delayed the start of the tender process for the new betting shop and corner betting shop licenses. All current license holders were given the opportunity to notify the government if they wished to continue operating passed the original June 2016 deadline. It is unclear when then tender process will now be launched.

August 2016

- The AAMS submitted a decree to the European Commission which would further liberalise the virtual sports betting market. The decree permits a range of accumulated betting products on up to 10 events and removes the restrictions on the type of events which may be bet on. The total number of virtual events that may be held per day was also increased to 3,000;
- The Istituto dell'Auto disciplina Pubblicitaria (IAP) made tougher restrictions to the Stability Law of 2015, now to include banning advertising of games with cash winnings between generic television programmes from 7am-10pm;

August 2016 con...

- Oulala.com is preparing to launch Italy's first Daily Fantasy Sports (DFS) real money platform;
- H2 understand the delayed license tender process for the new betting and corner betting shop licenses will be launched early in September;
- A number of tender conditions were submitted to the Ministry of Finance relating to the betting shop licenses. Firstly, only current license holders and operators who had the ability to connect at least 50 shops were eligible to apply for any of the three license types but were not limited on the number they can apply for. Operators were required to submit separate bids for each type of license; 10,000 betting shop licenses, 4,000 betting corner licenses and 1,000 bar and restaurant betting licenses were up for tender.

September 2016

- The Italian Revenue Agency, the Agenzia delle Entrate, drafted plans to impose a special tax on transactions that use digital currencies. However, EU law exempts such currencies from taxation raising the possibility that the proposals will be challenged if they go forward;
- Prime Minister, Matteo Renzi announced the government was finalising legislation to remove AWP gaming machines from cafés, bars, shops and hotels. Secretary of State of the Ministry of Economy and Finance, Pier Paolo Baretta, explained the legislation provided for a reorganisation of the gaming machine industry and a reduction in the number of machines by 30% before the end of 2017.

October 2016

- Both Houses of Parliament gave their assent to a range of measures directed at supporting the horse-racing industry. The measures include;
 - a restructuring of the tax to a margin-based system;
 - the introduction of a minimum pay-out of 74%;
 - removal of the restrictions on the type of events and bets that operators can offer.The Government have 12-months to decide whether to adopt the decree.

November 2016

- The license to operate the Superenalotto game will be tendered in 2017 with a starting price of €100m for the nine (9)-year contract.

December 2016

- The AAMS entered into discussions with the regulators of interactive gambling from France, Portugal, Spain and the UK to consider the standardization of certain technical aspects, including data reporting, across the markets and the possibility of sharing iPoker liquidity. The regulators intended to reach an agreement on iPoker liquidity sharing in the first half of 2017;
- Prime Minister Matteo Renzi announced his resignation following the result of a referendum in which the majority of citizens voted against his package of constitutional reforms. The Prime Minister had planned a reformation of the gaming machine industry in September, however, H2 understand the negotiations regarding this process would be significantly delayed as a result of the developments.

February 2017

- Local media reported that the government are evaluating proposals to increase the tax on AWP's by 0.5% in 2017 and another 0.5% in 2018, if passed these proposals would impose an increased rate of 18% and 18.5% respectively. Further proposals were announced to increase the minimum bid for the nine (9)-year Superenalotto license to €300m.

April 2017

- The AAMS published a package of technical regulations to govern the accreditation and operation of VLT's. The regulations aimed to streamline the accreditation process by directing the AAMS to certify VLT testing labs which can then provide accreditation directly to operators. Another aim of the regulations was to collect more detailed information relating to the use of VLT's in order to help prevent fraud and money laundering. Operators were given until 1 April 2019 to meet the new requirements;
- A package of gambling tax increases was published in the Official Gazzette. The decree increased the tax on VLT's and NewSlots to 6% and 19% of gross gambling turnover respectively, H2 understand these changes became effective immediately. The tax on VLT winnings over €500 was doubled to 12% and the Lotto winnings tax was increased to 8%, these increases were scheduled to come into force on 01 October 2017. Parliament must ratify the decree within 60 days if it is to take effect permanently.

July 2017

- The Italian, Portuguese, Spanish and French interactive gambling regulators signed an agreement to share iPoker liquidity between their respective jurisdictions. The authorities intended to finalise regulatory details to facilitate the launch of the shared market before the end of 2017;
- H2 understand the Ministry of Finance was considering a range of proposals to standardise interactive sports betting regulations with the international .com market. The proposals include an increase in the maximum possible win from €10k to €50k and the option to 'cash-out' on fixed-odds bets.

September 2017

- Legislation to reduce the number of AWP gaming machines in operation was published in the Official Gazette. The latest draft of the proposals was introduced in September 2016 but delayed due to the resignation of Prime Minister Matteo Renzi in December. The legislation dictates the total number of AWP's must be reduced to 345,000 by the end of 2017 and 265,000 by the end of April 2018.

November 2017

- A number of Senators proposed a range of amendments to the current horserace betting regulations. The amendments, submitted to the Budget Law, would allow for a wider range of bet types and racing events as well as replacing the current turnover based tax with a gross win tax of 33% for land-based bets and 37% for interactive bets. The new regulations also propose a mandatory percentage to be returned as prizes of 75%.

December 2017

- The 2018 Budget Law was approved by Parliament and included a number of provisions related to the gambling market. Firstly, the Budget extended the current betting shop licenses to the end of 2018 and scheduled a new licensing process to be launched before 30 September 2018. The Law also provided for the liberalisation of the type of horseracing bets that may be offered and reformed the previous turnover tax regime to a gross win tax of 43% for land-based bets and 47% for interactive bets from 01 January 2018.

January 2018

- The AAMS launched the application process for 120 interactive gambling licenses. The licenses will be valid until the end of 2022 and the cost of each license was set at €200k. H2 understand c40 of the licenses will be granted to existing operators in the market whose licenses expired in 2016. The application window was scheduled to close on 19 March 2018.

February 2018

- The Government approved a range of amendments to the regulations governing bingo and sports betting. The Accounting Court gave its approval to the interactive sports betting proposals announced in July 2017 to allow cashing-out on fixed odds bets and increase the maximum possible win from €10k to €50k, and also the minimum bet reduced from €2 to €1. The Ministry of Finance gave its assent to regulations permitting all variations of bingo games that may be offered through both land based and interactive channels.

March 2018

- The Ministry of Economic Development increased the maximum value of prize promotions based on games of chance or skill from €2 per consumer to €25.82.

April 2018

- The AAMS launched a consumer self-exclusion programme, allowing vulnerable consumers to self-exclude from every licensed gambling operator with a single request. The programme applied nationwide and allowed customers to self-exclude indefinitely or for a fixed period;
- The AAMS received eighty (80) applications for the new interactive gambling licences which will be valid until the end of 2022. Notable applicants included Lottomatica, PokerStars and bet365. H2 understand the regulator confirmed that all applications received were valid however, it is as yet unclear when the licenses will be awarded.

June 2018

- The Government announced plans to prohibit all forms of interactive gambling advertising and to reduce the number of gaming machines in casinos and gaming facilities across the country. The proposed legislation was included within the 'dignity decree' introduced by Minister of Economic Development, Labour and Social Policies, Luigi Di Maio.

July 2018

- The Government approved plans to prohibit all forms of gambling advertising on all platforms. In addition, commercial gambling companies will be prohibited from sponsoring sports clubs / teams. The ban did not include the national lottery. It is scheduled to take effect 01 January 2019;
- The Casino di Campione closed due to bankruptcy on 27 July 2018. The Government stated its intention to resolve the issues and re-open the casino however, no timeline was provided for this.

August 2018

- Parliament voted in favour of legislation to prohibit all forms of gambling advertising on all platforms. The bill passed into law with a majority of 155-125 and will take effect from 1 January 2019, however, operators with advertising contracts that were not set to expire until after that date will be granted a temporary exemption until 30 June 2018.

December 2018

- Parliament passed the 2019 Budget which included a range of tax increases across the gambling industry which were scheduled to take effect from 01 January 2019. The new rates were set as follows;
 - Interactive gambling
 - Casino, Bingo and poker – 25% of gross win;
 - Sportsbetting – 24% of gross win;
 - Virtual betting – 22% of gross win;
 - Land-based gambling
 - Sportsbetting – 20% of gross win;
 - Virtual betting – 22% of gross win;
 - AWP/Comma 6/New Slots: 20.6% turnover (minimum pay-out lowered to 68%);
 - Video Lottery Terminals (VLTs): 7.5% turnover (minimum pay-out lowered to 84%).

January 2019

- The tax rate on amusement with prizes (AWP) machines increased from 20.6% to 21.25% from 29 January 2019.

February 2019

- The Italian Gaming Authority announced new issue of new interactive gambling licences to over 60 entities, which included Lottomatica, Merkur, Codere, Bwin, Microgaming, LeoVegas, WinBet, Betfair and Tombola.
- Italy's communications regulator AGCOM provided details on the forms of marketing that will be prohibited from 14 July once the gambling advertising ban is in force. Shirt sponsorships, pitchside hoardings, native and editorial ads and influencer marketing will be prohibited. Providing odds on third-party sites, as long as there is no direct inducement to bet, will be allowed as well as land-based casino and search engine optimisation (SEO).

May 2019

- The tax rate on amusement with prizes (AWP) machines increased from 21.25% to 21.6% and the tax rate on video lottery terminals (VLTs) increased from 7.5% to 7.9% from 01 May 2019.

July 2019

- AGCOM issued a call for the advertising ban to be overturned, saying there were fears it might be unenforceable and unconstitutional. In a letter to the Italian government AGCOM said the marketing ban was harming Italy-licensed operators and those that had obtained their licences recently and at great cost. AGCOM said an overhaul of gambling regulations was "desirable and urgent, to introduce the most suitable and effective tools to tackle problem gambling, while respecting private economic initiative".

October 2019

- Italy's new coalition government announced a raft of new gambling measures that will impact betting shop and bingo concessions, further delays for the introduction of remotely controlled slot machines, payment blocking measures targeting unlicensed operators, an official anti-mafia and anti-money laundering list and new powers for undercover police operations.

October 2019 con...

- The Italian government announced new tax rises on retail gambling machines as part of the country's 2020 budget that was sent to the European Commission for approval. Players however will not be subject to taxes on their gambling winnings, as had been proposed. Tax rates on amusement with prizes (AWP) gambling will go from 21.6% to 23% and for video lottery terminals (VLTs) will go from 7.9% to 9% from February 2020. The new tax on machines is set to raise €650m in annual tax revenues from the industry, most of it from machine operators.
- Sky TV parent company Comcast said a 13.8% drop in third quarter advertising revenues was down to unfavourable legislation in European markets such as Italy and the UK. The group's advertising revenues of US\$446m during the three-month period compared with US\$545m in the third quarter of 2018 and follow the introduction of Italy's Dignity Decree, which banned nearly all gambling advertising on Italian media.

November 2019

- Italy's latest budget draft outlined plans to reduce the number of interactive gambling operators in the market. The draft proposed a new licensing round for online operators in 2020 with a cap of 40 being awarded, there are current c85 operators licensed in the market. The licenses will take effect in 2023 and be valid for nine (9) years, the minimum bid for a license was set at €2.5m. The draft also set out plans for a new landbased gaming machine tender in 2020 which will limit concessions to 250,000 AWP's and 58,000 VLTs and is expected to introduce a higher tax rate on the machines.

January 2020

- The tax rate on amusement with prizes (AWP) machines increased from 21.6% to 23.85% and the tax rate on video lottery terminals (VLTs) increased from 7.9% to 8.5% from 01 January 2020.

May 2020

- The Government considered proposals to impose an additional 0.3% tax on landbased and online sportsbetting turnover in its Covid-19 recovery plans. The tax would be levied until the end of 2022 and proceeds would be directed to help sports leagues affected by shutdowns;
- The Government gave its final approval to new laws to levy an additional 0.5% tax on landbased and online sportsbetting turnover until 31 December 2021;

July 2020

- The Gambling Authority announced it was establishing a process to close bookmakers who had not paid the necessary betting duty in the coming months.

September 2020

- The Customs and Monopolies Agency enacted the necessary legislation to impose the additional 0.5% tax on landbased and online sportsbetting turnover. The tax will be levied on all operator's turnover generated from 20 May 2020 to 31 December 2021.

January 2021

- The tax rate on amusement with prizes (AWP) machines increased from 23.85% to 24% and the tax rate on video lottery terminals (VLTs) increased from 8.5% to 8.6% from 01 January 2021.

June 2021

- The EGBA appealed to the Italian authorities to notify the European Commission of proposals to reduce the number of interactive gambling operators in the market. The proposals were put forward in November 2019 but are required to be notified to the EC for consideration before they can take effect.

August 2021

- Access to the casinos will be allowed only to 'Green pass holders' who certify that they have received at least one dose of vaccine, that they have been cured of COVID, or that they have undergone a test with negative results. This will come into force on 06 August, with the hope that this will both encourage attendance at casinos and prevent further closures.

October 2022

- A range of new sportsbetting regulations were enacted. The regulations included:
 - a reduction in the minimum stake from €2 to €1,
 - an increase in maximum winnings from €10k to €50k
 - permitting cash-out and draw no bet options for bettors,
 - permitting odds to three (3) decimal places.
- The new changes would apply to sports betting and non-sports event betting but not to horserace betting and were scheduled to take effect from 28 October 2022.

January 2024

- The Government approved legislation to undertake changes in the country's gambling regulatory framework in 2024. Amongst the reforms, called the Reorganisation of Gambling Decree, the Government is expected to raise the licensing fee for online operators from €200k to €7m and consider a range of player protection regulations.

March 2024

- From 29th February 2024, the Customs and Monopolies Agency have been granted approval to run additional weekly draws for the Lotto and Superenalotto games. All increased revenues from these games are going to the National Emergency Fund.

April 2024

- The Reorganisation of Gambling Decree was published in the official gazette. New online gambling licenses will be authorised by the end of 2024 and cost €7m for a term of nine-years. Operators granted a license will pay an additional 3% tax on gross win and be permitted to offer one app only per product and one website per license. The new licenses also stipulate that operators must provide customers with the ability to set play limits. Finally, the new decree also grants the ADM the power to block payments to unlicensed gambling operators targeting the market.

December 2024

- The government established a new regulatory framework and national register for gambling voucher shops (Punti Vendita Ricarica or PVRs) which allow players to deposit cash directly into their online gambling accounts. Shops must enter into a standardised agreement with operators and impose a cap of €100 per week on cash deposits per player. Deposits made through electronic payments such as credit cards are not capped.
- Proposed amendments to the Budget Law would increase taxation for online and agency betting, virtual betting, tournament poker, cash poker and online casinos. Taxation for fixed-odds horse racing betting would decrease; in agencies from 43% to 20.5% and online from 47% to 24.5%. If passed by the Chamber, all changes would be applied from 01 January 2025.

January 2025

- Changes to the 2025 Budget Law were signed off by the President, increasing online sports and iGaming tax rates by 0.5%, and reducing the online horse racing tax rate from 47% to 24.5% - to align it with online sports betting. Retail sports betting tax increased by 0.5% to 20.5%, while fixed odds horse race betting tax fell from 43% to 20.5% to align with sports betting; virtual betting tax increased from 22% to 24.5% to align with that of online virtual betting.
- The Budget also confirmed the Ministry of Finance's decision to extend existing online gambling licenses for an additional year, with operators having to transition to the new licensing regime by 30 May 2025. New licenses have an authorisation fee of €3m and an operating fee of 3% of GGR. Land-based gambling concessions, which were set to expire in December 2024, have been extended by two years as changes to the Government continues to debate changes to legislation around land betting, bingo and gaming machines.
- Starting in 2025, there will be an additional weekly draw of Lotto and Superenalotto games on a Friday. This was initially introduced as a temporary measure in 2023 and extended in 2024, but legislation fixes this as a set draw from 2025.

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