

LAW OF GEORGIA

ON ORGANISING LOTTERIES, GAMES OF CHANCE AND OTHER PRIZE GAMES

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Chapter I - General Provisions

Article 1

This Law establishes the legal grounds for organising and holding lotteries, games of chance and other prize games.

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Article 2

The aim of this Law is to ensure the state regulation of activities in the field of lotteries, games of chance and other prize games, and the protection of the lawful interests of citizens and the rights of customers in accordance with the Law of Georgia on Licences and Permits.

Law of Georgia No 2237 of 9 December 2005 - LHG I, No 54, 20.12.2005, Art. 357

Law of Georgia No 1145 of 27 March 2009 - LHG I, No 9, 13.4.2009, Art. 38

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Article 3

For the purposes of this Law the terms used herein have the following meanings:

a) games of chance - games whose outcome fully or partially depends on a chance event. Such games are played by means of cards, dice (except for backgammon), roulette wheels (roulette), gaming machines, gaming tables, card tables and/or other gaming equipment, and the participation in such games ensures an opportunity to win. Games of chance (except for gaming tournaments) may be held only in casinos, slot clubs and/or gaming clubs;

a¹) gaming tournaments - games which are organised by holders of a permit to organise casinos and/or gaming clubs on card tables. If holders of a permit to organise a casino exploit a card table only for conducting a gaming tournament and do not pay the duties imposed under the Law of Georgia on Gambling Duties for organising such games on club tables, they shall have no right to raise income from such gaming tournaments. Gaming tournaments may be organised inside or outside the premises which have been authorised to organise casinos and/or gaming clubs on the basis of the permit;

b) player - a person who participates in a game in order to obtain a gambling gain;

c) casino - a special gaming house in which an operator holds games of chance and draws cash prizes by means of roulette wheels (roulette), cards, gaming tables, card tables, dice and/or other gaming equipment (except for gaming machines);

d) gaming table - a special table arranged for holding games between the casino representatives and the player(s) by means of roulette wheels (roulette), cards, dice and/or other gaming equipment. For the purposes of this Law, a hybrid electromechanical gaming wheel (roulette), which may be operated mechanically, shall be construed as a gaming table;

d¹) card table - a special table arranged for holding games between the players by means of cards. During the game cards may be drawn by the representative of the operator of such games of chance (except for slot clubs);

e) gaming room - a special location in a casino for playing prize games (except for promotional games) and games of chance. A gaming room may not be seen from the outside of the building.

f) slot club - a specially arranged building and structure, or a part of a building and structure (including a separate part of an area), where gaming machines are located. Gaming machines located in the slot club may not be seen from the outside of the building and structure;

g) gaming machine - an electronic, mechanical or electro-mechanical device or other specialised device, including computers placed in a facility on the basis of a permit to hold games of chance, and/or computers placed in a facility organised on the basis of a permit to hold prize games, which have special software and/or mechanisms that give monetary prizes or the opportunity to determine a monetary prize. A gaming machine, on which one and/or several games are played, and on which several players play simultaneously, and which consists of several seats, shall be construed as several gaming machines on which several players play, (except for electronic roulette wheels (roulettes));

g¹) gaming club - a specially arranged building and structure or a part of the area of a building and structure (including a part of an allocated area), where a card table(s) is placed, and which may not be seen from the outside of the building and structure;



h) lottery - a voluntary group game or a mass lottery game during which a lottery operator distributes prize money in accordance with published and predetermined terms and conditions. A winning ticket shall be chosen by a chance event and it shall not depend on the wish and/or intention and/or act of the lottery operator or of any other person; it is a game of chance and cannot be pre-arranged intentionally by such persons. The types of lottery games are:

h.a) draw-based lottery game - a lottery game which is divided into draws and in separate and complete cycles, starting from the period when the tickets are issued and sold to the period when prize money is distributed. The owner of a lottery ticket shall verify the winning combination on the lottery ticket only after the draw is completed.

h.b) instant - win lottery game - a lottery game whose results are revealed by checking the ticket or by means of holding a draw directly on the site.

h.c) (deleted – 08.06.2016, No 5385);

h.d) (deleted – 08.06.2016, No 5385);

h.e)(deleted – 08.06.2016, No 5385);

i) lottery and/or prize game ticket - a card issued for the purposes of sale or distribution, a document certifying the right of participation in a game, an item, personal identification code (number) and/or other information medium, which complies with the provisions of the law and the provisions (regulations) for organising particular lotteries or prize games, and which verifies the fact of winning if such occurs;

j) prize money - the sum, which shall be acknowledged as a strict obligation towards third persons (the owner of a winning ticket), trustees or principals before it is acquired and shall be intended to be transferred to them in the amount established for such prize under the provisions (regulations) for organising such games. The winnings may be presented in monetary, material or other form in accordance with the provisions (regulations) for organising such games and they shall be issued to the owners of a winning ticket. The prize money may not bear any obligation except for the obligations towards the participants of draws. The prize money may not be used in financial, commercial, industrial or any other turnover either fully or partially. The restrictions under this paragraph shall not apply to gains received from the placement of prize money on the deposit accounts of banking institutions;

k) drawing of prize money - a procedure which verifies the fact that a lottery ticket, and/or a ticket of other prize games, has won; the winner of a prize item may obtain the prize item or a monetary alternative thereof if this is required by the provisions (regulations) for organising such games;

l) securities applied to prize money - a financial mechanism to secure the interests of players of betting houses, and whose existence is verified by a bank guarantee or a financial risk insurance policy;

m) expected value of lottery - the quantity of lottery tickets sold for a particular draw multiplied by the price per ticket;

n) the winning games shall include the following:

n.a) lotto - a game for a group of people, in which a player selects a combinations of numbers or symbols and in which winnings depend on a complete or partial match of the selected combinations of numbers or symbols, and in which the amount of winnings is determined on the basis of the amount of prize money; lotto shall be held in a specially arranged building and the maximum number of its participants shall be determined by the number of players' seats provided in such building;

n.b) bingo - a game for a group of people during which winnings are recorded by means of a tombola scorecard or an electronic scoreboard where the combination of numbers is drawn by a specially designed device match, and in which the amount of winnings is determined on the basis of the amount of prize money. Bingo shall be held in a specially arranged building and the maximum number of its participants shall be determined by the number of players' seats provided in such building;

n.c) betting - a type of game in which players place wagers on the forecast of the outcome of a competition, game or event(s), and where winnings depend on the amount of wagered sum and the outcome of the game. The betting may not be organised if there is a possibility that one of the parties or both of them may know the outcome of the game beforehand. The betting shall be organised in a specially arranged building and structure or a part of a building and structure;

n.d) promotional game - a game where an operator organises the drawing of prize money in accordance with published and predetermined terms and conditions. The selection of a winning ticket shall be determined by a chance event and may not depend on the wish of an operator or any other person or may not be specially pre-arranged. Promotional games are held in order to increase the sales of products (services) quickly and effectively as well as in the cases determined by the Government of Georgia. Tickets of promotional games shall be distributed free of charge. A permit to organise promotional games shall be issued to a manufacturer or a representative of the manufacturer of a specific product (service), except for the cases determined by the Government of Georgia. No payments in any form for participation in promotional games shall be permitted;

o) operator of games of chance or other prize games - a holder of a permit to organise games of chance or other prize games;

p) casino vault - a specially arranged room, where the contingency sum for a casino (GEL 10 000 per gaming table), all internal documentation of the casino, and portable gaming equipment (roulette balls, gaming chips, card decks, card shufflers, card trays, dice, etc.) are stored;

q) lottery operator - a winner of a tender organised by the Ministry of Finance of Georgia in accordance with this Law, who is a holder of an exclusive right to organise and hold lotteries, and who conducts its activities in accordance with this Law and the terms and conditions of the agreement;

r) promotional game event - a process which starts from the preparation and sale of tickets and ends with the drawing of prize money;

s) agent - a person who conducts sales operations for a lottery operator or a retailer or distributes lottery tickets to other agents for their sale. The agent may act as a retailer;

t) retailer - a person who conducts sales operations for a lottery operator or an agent in order to sell lottery tickets to customers;

u) sales services - services provided by an agent (a retailer) to the lottery operator for the purposes of selling (including by means of a lottery terminal)



lottery tickets, and of distributing winnings to players in accordance with the procedures determined by the lottery operator, and for the purposes of providing them with the promotional goods of lottery operators free of charge, etc.

v) cage for games of chance and/or other prize games in a system based and electronic form which is located outside the facility that operates under a permit to organise games of chance and/or other prize games - a specially arranged location (except for commercial banks and micro-finance organisations), where players can deposit money and/or cash out their winnings with the assistance of a cage cashier.

Law of Georgia No 5180 of 3 July 2007 - LGH I, No 28, 18.7.2007, Art. 277

Law of Georgia No 709 of 10 December 2008 - LGH I, No 37, 17. 12. 2008, Art. 239

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 3045 of 4 May 2010 - LHG I, No 24, 10.5.2010, Art. 164

Law of Georgia No 5169 of 28 October 2011 – website, 11.11.2011

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 5859 of 16 March 2012 – website, 27.3.2012

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012

Law of Georgia No 6574 of 28 June 2012 – website, 10.7.2012

Law of Georgia No 5385 of 8 June 2016 – website, 17.6.2016

Article 4

Games, which are held by means of machines, devices, appliances and other means and which are not determined by a chance event, may not be construed as lotteries, games of chance or other prize games. Such games are designed for the examination or demonstration of special knowledge, intelligence, prowess, flexibility or any other special skill.

Article 5

1. All games of chance and prize games which are held in the territory of Georgia shall be subject to obtaining permits under the Law of Georgia on Licences and Permits. The organisation of games without relevant permits or the failure to comply with the licence conditions shall be deemed a violation of law and shall entail liability under the legislation of Georgia, except for the cases provided for by paragraph 3 of this article.

2. Only lotteries, games of chance and prize games under this Law shall be permitted to be organised and tickets of such games shall be permitted to be distributed in Georgia.

3. The Government of Georgia is entitled to grant the authority to organise promotional games to the Revenue Service, which is a legal entity under public law within the Ministry of Finance of Georgia. In such cases the terms and conditions for organising promotional games of chance and the amount of prize money shall be determined by the Government of Georgia.

4. Services related to gambling may not be provided to a person carrying out activities in the field of the gambling business beyond the territory of Georgia, except for the cases determined by the Minister of Finance of Georgia.

Law of Georgia No 2237 of 9 December 2005 - LHG I, No 54, 20.12.2005, Art. 357

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 5859 of 16 March 2012 – website, 27.3.2012

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012

Article 6

1. The winner of a tender organised by the Ministry of Finance of Georgia shall operate and hold lotteries in Georgia. The winner of a tender shall be a person who meets the tender requirements and offers the highest sum to be paid to the State Budget for obtaining the exclusive right to organise and hold lotteries in Georgia, which shall be no less than the amount determined by the Government of Georgia on the basis of survey results conducted by a third person. The procedures for the payment of the said amount to the State Budget shall be determined on the basis of an ordinance of the Government of Georgia.

2. The procedures and conditions for the organisation of the tender determined by paragraph 1 of this article shall be approved by the Government of Georgia.

3. It is required that the tender documentation referred to in this article include bank guarantees in order to secure compliance with the conditions of the tender proposal and the agreement; the amount of the guarantee and the procedures for its use shall be determined by an ordinance of the Government of Georgia. The amount of bank guarantee shall be determined in accordance with the survey results conducted by a third person.



4. A lottery operator shall pay to the State Budget on a quarterly basis the interest from the total value of tickets sold during the holding of the lottery, the amount and the terms of payment of which shall be determined by an ordinance of the Government of Georgia. The amount of the interest from the total value of tickets sold during the holding of a lottery as provided for by this paragraph shall be determined on the basis of surveys conducted by a third person.

5. A lottery operator shall have an exclusive right to organise and hold lotteries in Georgia for the period of ten years. Such period may be extended before the signing of a contract with the winner of a new tender upon the recommendation of the Ministry of Finance of Georgia and on the basis of a decision of the Government of Georgia.

Law of Georgia No 3142 of 25 May 2006 – LHG I, No 18, 31.5.2006, Art. 136

Law of Georgia No 3968 of 14 December 2006 – LHG I, No 48, 22.12.2006, Art. 332

Law of Georgia No 709 of 10 December 2008 - LHG I, No 37, 17.12.2008, Art. 239

Law of Georgia No 1126 of 24 March 2009 - LHG I, No 6, 26.3.2009, Art. 22

Law of Georgia No 2182 of 1 December 2009 – LHG I, No 40, 7.12.2009, Article 296

Law of Georgia No 5138 of 13 October 2011 - website, 19.10.2011

Law of Georgia No 5169 of 28 October 2011 – website, 11.11.2011

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 5385 of 8 June 2016 – website, 17.6.2016

Article 7

1. The legal entity under public law within the Ministry of Finance of Georgia called the Revenue Service ('the Revenue Service') shall issue and may revoke permits to organise games of chance and other winning games, and may amend and register such permits with the departmental permit registry in accordance with the Law of Georgia on Licences and Permits and this Law.

2. The Revenue Service is entitled to verify the authenticity of documents submitted by a permit applicant for obtaining a permit.

3. The Revenue Service is entitled to exercise control over the observance of licence conditions. For this purpose, compliance with the requirements under this Law and other normative acts by a permit holder may be checked at any time. The procedures for the verification of compliance with such requirements shall be determined by a joint order of the Minister of Finance of Georgia and the Minister of Internal Affairs of Georgia.

4. The Revenue Service or the Ministry of Internal Affairs of Georgia shall impose penalties on a permit holder for violation of permit conditions under this Law. A tax authority shall administer the process of the payment of penalties imposed for violation of permit conditions under this Law and of penalties under Article 37² of this Law in accordance with the procedures determined by the Tax Code of Georgia.

Law of Georgia No 2237 of 9 December 2005 – LHG I, No 18, 31.5.2006, Art. 136

Law of Georgia No 5180 of 3 July 2007– LHG I, No 28, 18.7.2007, Art.277

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 2670 of 23 February 2010- LHGI, No 7, 9.3.2010, Art. 29

Law of Georgia No 3601 of 12.10.2010– LHG I, No 54, 12.10.2010, Article 353

Article 8 -(Deleted)

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Article 9

1. The value of prize money established for instant win lottery games shall be no less than 45% of the lottery value.

2. The value of prize money for draw-based lottery games shall comprise no less than 45% of the total cost of lottery tickets sold during each draw. A lottery operator is entitled to reserve no more than 20% of the value of prize money, which shall be drawn during the holding of the ensuing draw-based lottery.

3. The value of the prize money of promotional lotteries shall not be limited. The lottery operator shall determine such value. The value of the prize money shall be included in the provisions (regulations) for the organisation of promotional games.

4. The value of the prize money of lotto and bingo games shall comprise no less than 45% of the total cost of tickets sold during such draw.



5. The winning in the form of an item may fall only on one ticket after the completion of each lottery draw.

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 5169 of 28 October 2011 – website, 11.11.2011

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 5385 of 8 June 2016 – website, 17.6.2016

Article 10 -(Deleted)

Law of Georgia No 2237 of 9 December 2005 - LHG I, No 54, 20.12.2005, Art. 357

Article 11

1. Permits shall be obtained for the following activities:

- a) the organisation of promotional games;
- b) the organisation of casinos;
- c) the organisation of betting houses;
- d) the organisation of slot clubs;
- e) the organisation of lotto games;
- f) the organisation of bingo games; and
- g) the organisation of gaming clubs.

2. The lotteries and games referred to in paragraph 1(a) - (d) of this article may be held in a system based and electronic form by means of the Internet, telephone and other specially designed electronic devices and in accordance with the requirements under this Law.

2¹. Only operators of games of chance who hold a permit to organise casinos and/or a permit to organise slot clubs may also organise games of chance in a system based and electronic form. No separate permit shall be required to organise games of chance in a system based and electronic form.

2². A person who holds a permit to organise a betting house may organise betting in a system based and electronic form within the scope of such permit. No separate permit is required to organise betting in a system based and electronic form.

2³. A permit to organise a gaming club shall be issued only to a person who holds a permit to organise casinos and/or slot clubs in Tbilisi. A gaming club shall be organised as a separate facility, independent from a casino gaming room and/or a slot club.

2⁴. The playing of games of chance and/or other prize games in a system based and electronic form shall not be permitted in facilities providing internet services. This restriction shall not apply to a facility which is organised under a permit to hold games of chance and/or other prize games.

3. A permit to organise promotional games shall be issued for a period of one year, and permits to organise slot clubs, casinos, betting, lotto and bingo games shall be issued for a period of five years, and a permit to organise gaming clubs shall be issued for a period that is equal to the remaining validity of the permit to organise casinos and/or slot clubs on which basis the permit to organise gaming clubs has been issued.

4. Permits to organise casinos, slot clubs, gaming clubs, betting houses, lotto and bingo games shall be issued for the operation of each facility.

5. The addresses of casinos, slot clubs, gaming clubs and/or betting houses may not be changed by making amendments to the departmental permit registry, if another permit rate is established for new addresses under the Law of Georgia on Licence and Permit Fees. In such case new permits shall be issued to organise casinos, slot clubs, gaming clubs and/or betting houses in accordance with the legislation of Georgia.

6. Lotto and bingo facilities may be relocated by making amendments to the departmental permit registry.

7. A permit to organise games of chance and other prize games may not be issued if there exist any overdue taxes relating to the permit applicant..

8. Permits under this article may not be transferred to other persons.

Law of Georgia No 3774 of 1 December 2006 – LHG I, No 47, 18.12.2006, Art. 311

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 3045 of 4 May 2010 - LHG I, No 24, 10.5.2010, Art. 164

Law of Georgia No 4933 of 24 June 2011 – website, 30.6.2011

Law of Georgia No 5246 of 8 November 2011 – website, 22.11.2011



Chapter I¹ - (Deleted)

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Article 11¹ (Deleted).

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 3045 of 4 May 2010 - LHG I, No 24, 10.5.2010, Art. 164

Law of Georgia No 4063 of 15 December 2010 – LGH I, No.74, 24.12.2010, Art. 455

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Chapter II - Conditions for the Organisation of Winning Games and for the Issuance of Permits

Article 12

1. In addition to the documents set forth in Article 25 of the Law of Georgia on Licences and Permits, a permit applicant shall submit to the Revenue Service the following documents in order to obtain a permit for the organisation of prize games:

a) an agreement between the permit applicant and a person who issues tickets for prize games (except for games organised a system based and electronic form), indicating the amount of tickets to be issued;

b) the provisions (regulations) for the organisation of prize games, which shall include:

b.a) the time limits and venue for holding the prize games;

b.b) the location, date and deadline for distributing the prizes of prize games. The total period for the distribution of prizes of prize games shall be not more than 30 calendar days following the date of the draw. The winnings shall be distributed no later than six days after the submission of the winning tickets;

b.c) the period for reviewing claims;

b.d) the quantity and numbering of winning tickets;

b.e) general rules for holding the games (in the case of organising promotional games the general playing rules (the reason and the goal(s) of the game) submitted by the permit applicant) shall comply with the criteria established by the Minister of Finance of Georgia;

b.f) in the case of organising promotional games, the date and venue of the draw for prize money;

b.g) in the case of organising promotional games, the prize money, prize list, quantity of prizes, unit price of each prize and the sequence of prizes in a draw;

c) a sample ticket of the prize game with marks for protection against counterfeiting. The sample ticket shall be signed by the permit applicant;

d) in the case of organising betting, the document securing the amount of the prize money which shall be no less than GEL10,000;

e) (deleted - 24.04.2012, No 6052);

f) in the case of organizing a betting in a system based and electronic form, the rules of betting in a system based and electronic form, which shall include:

f.a) the physical address of the location from where the prize games are managed and organised;

f.b) the list and description of the games;

f.c) the location(s) and the deadline (if the winnings are distributed on the basis of Article 28(2),(3) of this Law, the address(es) of the immovable property designated for the installation of a casino cage) for the distribution of winnings; the deadline for reviewing claims;

f.c) in the case of organising an on-line betting - the address of the web-site, and rules for the registration of players; the rules for the management of a deposit and/or balance account; the name, the official address, the telephone numbers of on-line betting operators, the permit number, the list of games



and detailed rules of playing, and information on the age restriction on players under the age of 18, shall be displayed in the Georgian language on the web-site;

f.d) in the case of a telephone betting, a telephone number registered in Georgia shall be included.

1¹. Games which are not included in the provisions (regulations) for organising prize games, or in the case of making bets in a system based and electronic form, games which are not included in the rules for organising betting in a system based and electronic form, may not be organised under the permit conditions.

2. The following details shall be clearly shown on the tickets of prize games:

- a) the title and/or full name, the address, and the telephone number of the permit applicant;
- b) the ticket price (except for betting and promotional games);
- c) the ticket number;
- d) the space for the serial number of permits to be issued;
- e) the time limit and the venue for holding prize games;
- f) the date and time of the draw for prize money in the case of promotional games;
- g) general playing rules;
- h) the location and deadline for the distribution of winnings of prize games.

3. Where the said details cannot be shown on a winning game ticket for technological reasons, the operator of prize games shall ensure the publicity thereof and the smooth delivery of information to players regarding the provisions (regulations) of the prize games.

4. The official table of winning tickets shall be published no later than three calendar days following the draw.

Law of Georgia No 2237 of 9 December 2005 - LHG I, No 54, 20.12.2005, Art. 357

Law of Georgia No 5180 of 3 July 2007- LHG I, No 28, 18.7.2007, Art. 277

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 3045 of 4 May 2010 - LHG I, No 24, 10.5.2010, Art. 164

Law of Georgia No 4063 of 15 December 2010 - LGH I, No.74, 24.12.2010, Art. 455

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 6052 of 24 April 2012 - website, 27.4.2012

Article 13

1. If betting houses, or lotto or bingo facilities, change their location, the operator of the prize games shall submit to the Revenue Service the following documents:

- a) (Deleted - 9.12.2011, No 5448);
- b) (Deleted - 9.12.2011, No 5448);
- c) an agreement between a holder of a permit to organise prize games and the person who issues tickets (except for games organised in a system based and electronic form), indicating the quantity of tickets to be issued;
- d) the provisions (regulations) for organising the prize games;
- e) a sample ticket of the prize game (except for a game organised in a system based and electronic form).

1¹. If the holder of a permit to organise a betting game intends to organise betting in a system based and electronic form, he/she shall submit the playing rules set forth in Article 12 (1)(f) of this Law to the Revenue Service in order to obtain approval for the organisation of the betting games in a system based and electronic form.

2². If the holder of a permit to organise betting games intends to install a casino cage as set forth in Article 28(2) and (3) of this Law, he/she should submit information on the address(es) of immovable property allocated for the installation of the casino cage before making changes to the provisions (regulations) for organising winning games.

2. The operator of prize games (except for promotional games) shall inform the Revenue Service about making changes to general playing rules under Article 12(1) (b) and (e) of this Law, and in the case of other changes, within no more than two working days, in order to obtain approval.

2¹. The operator of prize games (except for promotional games) shall place information on making changes to games organised in a system based and



electronic form on a web-site (in the case of organising on-line games) designated for the games and inform the Revenue Service thereof within two working days after making such changes.

3. The provisions (regulations) for the organisation of promotional games may not be changed prior to the completion of the stage of the promotional game, except when the quantity and numbering of tickets are changed, and in such case the operator of the promotional games shall inform the Revenue Service thereof within two working days after making such changes.

4. Two or more stages of a promotional game may not be organised simultaneously under a single permit to organise promotional games.

5. To obtain permission for the organisation of every single stage of a promotional game, the operator of promotional games shall submit the following documents to the Revenue Service for approval:

a) the provisions (regulations) for the organisation of the promotional games;

b) a sample ticket of the promotional games (except for a game organised in a system based and electronic form);

c) an agreement between a holder of a permit to organise the promotional games and the person who issues tickets (except for games organised in a system based and electronic form), indicating the quantity of tickets to be issued.

Law of Georgia No 2237 of 9 December 2005 - LHG I, No 54, 20.12.2005, Art. 357

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 3045 of 4 May 2010 - LHG I, No 24, 10.5.2010, Art. 164

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Article 14 - (Deleted)

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Article 15

An operator of lotteries or prize games shall organise the draw even if the tickets have not been sold out.

Article 16

1. An operator of promotional games shall ensure the publicity of the provisions (regulations) for the organisation of the promotional games and the provision thereof to the players; they shall also ensure the establishment of commissions to ensure that the draw is conducted fairly and in compliance with the provisions (regulations) for the organisation of the promotional games.

2. An operator of promotional games shall submit information on the course and results of a prize game within two days after the draw.

Law of Georgia No 5180 of 3 July 2007- LHG I, No 28, 18.7.2007, Art.277

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Article 17 - (Deleted)

Law of Georgia No 3774 of 1 December 2006 - LHG I, No 47, 18.12.2006, Art. 311

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Article 18 - (Deleted)

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Chapter III - Conditions for the Organisation of Games of Chance and for the Issuance of Permits

Article 19



1. In addition to the documents set forth in Article 25 of the Law of Georgia on Licences and Permits, a permit applicant shall submit the following documents to the Revenue Service in order to obtain a permit for organising a casino:

a) (Deleted - 9.12.2011, No 5448);

b) the provisions (regulations) for organising a casino, which shall include: a list of gaming tables and/or card tables in a casino, indicating the brand name, factory serial number, the year of manufacture and the country of origin; the minimum and maximum amount of bets; the rules of operation of the casino; the code of conduct in the casino; the gaming rules in the casino; where there are card tables, the percentage of service fees; the deadline and venue for the distribution of winnings; and the period for reviewing claims;

c) samples of casino chips;

c¹) a certificate of conviction of an authorised manager and representative, and/or a founder and/or partner (if any) of the permit applicant;

d) in the case of organising games of chance in a system based and electronic form, it shall include the rules of playing the games of chance in a system based and electronic form, which shall include the following:

d.a) a physical address of the location from where the prize games shall be managed and organised;

d.b) a list and description of the games;

d.c) a location(s) and deadline (if winnings are distributed on the basis of Article 28(2) and (3) of this Law, the address(es) of immovable property designated for the installation of a cash register) for the distribution of winnings, and the deadline for reviewing claims;

d.d) in the case of organising games of chance on-line, it shall include the address of the web-site, the procedures for the registration of players; the procedures for the management of deposits and/or balance accounts; the name, the legal address, and the telephone number of the game operator, as well as the permit number, the list of games, detailed rules for playing each game, and information on the restriction of players under the age of 18 shall be shown in the Georgian language on the web-site;

d.e) in the case of organising games of chance by telephone, it shall include a telephone number registered in Georgia.

1¹. A permit to organise casinos may not be issued to a person whose authorised manager or representative, and/or founder and/or partner (if any) is convicted of or charged with a deliberate crime in the field of economy and finance, or with serious and particularly serious deliberate crimes, and whose conviction has not been not expunged or cancelled in accordance with the procedures established by the legislation of Georgia.

1². The person authorised to manage and represent, and/or the founder or partner (if any) of the holder of a permit to organise a casino, may not be convicted of or charged with a deliberate crime in the field of economy and finance, or with serious and particularly serious deliberate crimes, where the conviction has not been expunged or cancelled in accordance with the procedures established by the legislation of Georgia.

2. Games which are not included in the provisions (regulations) for organising casinos may not be held, and in the case of casinos in a system based and electronic form, games which are not included in the provisions for organising the games in a system based and electronic form.

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012

Law of Georgia No 4083 of 22 July 2015 – website, 31.7.2015

Article 19¹

1. To obtain a permit to organise a gaming club, in addition to the documents set forth in Article 25 of the Law of Georgia on Licences and Permits, a permit applicant shall submit to the Revenue Service the provisions (regulations) for organising gaming clubs, which shall include the following: a list of card tables in the gaming club, indicating the brand name, factory serial number, the year of manufacture and the country of origin; the amount of service fees per card table; the rules of operation of the gaming club; the code of conduct in the gaming club; the gaming rules in the gaming club; and samples of gaming chips (if any).

2. Games which are not included in the provisions (regulations) for organising the gaming clubs may not be held in the gaming club.

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012

Article 20

1. In addition to the documents set forth in Article 25 of the Law of Georgia on Licences and Permits, a permit applicant shall submit the following documents to the Revenue Service in order to obtain a permit to organise a slot club:

a) the provisions (regulations) for organising a slot club, which shall include:

a.a) the time limit and venue of holding the games of chance;

a.b) a list of gaming machines (except for games organised in a system based and electronic form) indicating the brand name, modification, factory serial



number, the year of manufacture and the country of origin, the minimum and maximum rate of bets and the amount of maximum pay-out on each gaming machine;

a.c) a list of games played in the gaming club and their playing rules;

a.d) the period for reviewing claims;

b) in the case of organising games of chance in a system based and electronic form, the documents for submitting to the Revenue Service shall also include the provisions (regulations) for organising games in a system based and electronic form, which include:

b.a) a physical address of the location, from where the prize games shall be managed and organised;

b.b) a list and description of the games;

b.c) the venue(s) and deadline (if winnings are distributed on the basis of Article 28(2),(3) of this Law, the address(es) of immovable property designated for the installation of a cash register) for distributing winnings, and the deadline for reviewing claims;

b.d) in the case of organising games of chance on-line, the web-site shall include the address of the web-site, the procedures for the registration of players; the procedures for the management of deposits and/or balance accounts; the name, the legal address, and the telephone number of the game operator, as well as the permit number, the list of games, detailed rules for playing each game, and information on the restriction of players under the age of 18 in the Georgian language;

b.e) in the case of organising games of chance by telephone, it shall include a telephone number registered in Georgia.

2. Games which are not included in the provisions (regulations) for organising a slot club may not be held in a slot club, and in the case of organising games of chance in a system based and electronic form, games which are not included in the procedures for organising such games.

Law of Georgia No 2237 of 9 December 2005 - LHG I, No 54, 20.12.2005, Art. 357

Law of Georgia No 5180 of 3 July 2007 - LHG I, No 28, 18.7.2007, Art.277

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 6052 of 24 April 2012 - website, 27.4.2012

Article 20¹

1. If the holder of a permit to organise a casino intends to organise a casino in a system based and electronic form, he/she shall submit the rules of playing set forth in Article 19(1) (d) of this Law to the Revenue Service for approval.

2. If the holder of a permit to organise a casino intends to organise a tournament of games of chance, he/she shall submit to the Revenue Service information on the conditions of organising and holding the tournament, including information on the opening and closing days of the tournament and on the quantity of gaming tables in a club two days before organising such tournament.

2¹. If the holder of the permit to organise a slot club intends to organise a tournament of games of chance, he/she shall submit to the Revenue Service information on the conditions of organising and holding the tournament, including information on the opening and closing days of the tournament and on the quantity of gaming tables in a club two days before organising such tournament.

3. If the holder of the permit to organise a slot club intends to organise games of chance in a system based and electronic form, he/she shall submit the rules of playing set forth in Article 20(1) (b) of this Law to the Revenue Service for approval.

4. If the holder of a permit to organise a casino and/or a slot club intends to install a cash register as set forth in Article 28(2) and (3) of this Law, he/she shall submit to the Revenue Service information on the address(es) of the immovable property designated for the installation of the cash register two working days before making amendments to the provisions (regulations) for organising the casinos and/or slot clubs.

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 6052 of 24 April 2012 - website, 27.4.2012

Article 21

1. In the case of changing the venue of casinos, slot clubs or gaming clubs, an operator of games of chance shall submit the provisions (regulation) for organising such games to the Revenue Service.

2. An operator of games of chance shall inform the Revenue Service on making changes to the list of games in casinos, slot clubs and clubs of games of chance and to the general rules for playing such games for approval, and in the case of other changes, he/she shall notify the Revenue Service thereof within two working days after such changes are made.

3. An operator of games of chance shall upload information to the website for the games on making changes to the rules of playing the games in a system based and electronic form (in the case of an on-line organisation of games) and shall notify the Revenue Service thereof within two working days after such changes are made.



Law of Georgia No 2237 of 9 December 2005 - LHG I, No 54, 20.12.2005, Art. 357

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 3045 of 4 May 2010 - LHG I, No 24, 10.5.2010, Art. 164

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012

Article 22 - (Deleted)

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Article 23

The pay-out to stakes ratio on a slot machine shall be equal to no less than 80%.

Article 24

1. No less than seven gaming tables shall be installed and operated in a casino, one of which shall function as a roulette wheel (roulette) table.
2. A casino shall comprise a customer service area and a staff area. Each area shall have a separate entrance.
3. The casino cage, where cash payments are made for customers, shall be equipped with a bullet-resistant glass enclosure, an alarm signal connecting to an appropriate security service, and shall be in full compliance with the legislation of Georgia.
4. A casino vault shall be located in an area allocated for staff members.

Law of Georgia No 2237 of 9 December 2005 - LHG I, No 54, 20.12.2005, Art. 357

Law of Georgia No 5180 of 3 July 2007– LHG I, No 28, 18.7.2007, Art.277

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012

Article 25

Permits to organise casinos and to install gaming machines shall be issued only for the operation of a single facility.

Chapter IV - The Rights and Duties of the Operators of Lotteries, Games of Chance and Other Prize Games

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Article 26 - (Deleted)

Law of Georgia No 2237 of 9 December 2005 - LHG I, No 54, 20.12.2005, Art. 357

Article 27

The rules for playing shall be displayed in gaming venues and presented to players immediately upon their first request.

Article 28

1. An operator of games of chance and/or winning games, when such games are organised in a system based and electronic form, may use cash registers allowed under permits to organise casinos, clubs of games of chance, slot clubs and/or betting houses issued on behalf of the operator.
2. An operator of games of chance and/or prize games, when such games are organised in a system based and electronic form, may install cash registers in the facilities organised under permits to organise casinos, clubs of games of chance, slot clubs and/or betting houses issued in the name of third



persons.

3. An operator of games of chance and/or winning games, when such games are organised in a system based and electronic form, may install a cash register as set forth in Article 3(v) of this Law, if the gambling duties have been paid.

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012

Article 29

1. An operator of lotteries, games of chance and other prize games shall be obliged to:

- a) ensure public order and safety in the game venues and the protection of the legal rights and interests of players and other persons;
- b) register distributed winnings, create an electronic database and submit relevant information to the Legal Entity under Public Law called the Financial Monitoring Service of Georgia in accordance with the procedures established by the legislation of Georgia;
- c) organise games and distribute winnings in accordance with the prescribed provisions (regulations) for organising games;
- d) issue a written winning certificate to a player if requested;
- e) make decisions with regard to players' complaints within the time limits set forth in the provisions (regulations) for organising the games;
- f) keep information on the amount of players' winnings and losses confidential and disclose such information only in the cases provided for by law;
- g) pay the duties and fees for organising games in a timely manner as provided for by the legislation of Georgia;
- h) prevent requesting additional conditions for the distribution of winnings to winners, except for the cases provided for by the legislation of Georgia;
- i) perform other duties provided for by this Law and the legislation of Georgia;
- j) notify the Revenue Service in writing of the termination and/or resumption of activities related to the organisation of games of chance and/or prize games before such termination and/or resumption takes place;
- k) carry out operations related to the transportation of money and other valuables using a special collection service, if the monthly income exceeds GEL 10,000;
- l) create favourable working conditions for an inspector in the process of conducting an inspection of the fulfilment of permit conditions and submit relevant documents and information (except for information related to the lottery operator) related to the permit conditions immediately after request;
- m) ensure that a casino, gaming club, slot club, betting house, lotto and bingo facilities are provided with uninterrupted power supply and equip the gaming room, cash register, entrance and outdoor perimeter with a video surveillance system. The video surveillance system shall comply with the requirements established by the Ministry of Internal Affairs of Georgia. The video recording of the gaming room, casino cage and the entrance shall be held during the operating hours of the betting houses, lotto and bingo facilities, casinos, clubs of games of chance and slot clubs, and in the case of an outdoor perimeter there shall be a permanent video recording. The relevant video surveillance footage on electronic media shall be stored for no less than 30 days in a secured location and shall be submitted to the Ministry of Internal Affairs of Georgia and/or other authorised bodies upon their reasonable request. A cash register shall be equipped with a bullet-resistant glass enclosure and an alarm signal connecting to the respective security service;
- n) register each player by their personal identification data if games of chance and/or prize games are organised in a system based and electronic form;
- o) ensure the protection of databases if games of chance and/or prize games are organised in a system based and electronic form;
- p) organise games and distribute winnings in accordance with the procedure established for organising games in a system based and electronic form;
- q) ensure public order and safety, as well as the protection of players' interests in the case of a tournament of games of chance.

2. An operator of games of chance and/or prize games may not grant loans to players for placing bets.

3. An operator of lotteries, games of chance and other prize games may not enter into contracts with minors, which oblige them to work in gaming venues, organise games or control the course of games.

Law of Georgia No 2237 of 9 December 2005 - LHG I, No 54, 20.12.2005, Art. 357

Law of Georgia No 5180 of 3 July 2007– LHG I, No 28, 18.7.2007, Art.277

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012



Article 30

1. An operator of lotteries, games of chance and other prize games is not obliged to check the authority of the person presenting casino chips, lottery tickets and/or tickets of prize games unless this is determined by the provisions (regulations) for organising the games.
2. If a player loses casino chips, lottery tickets and/or tickets of a prize game, he/she shall have no right to make claims against the respective operator of the lotteries, games of chance and other prize games, unless otherwise provided for by the provisions (regulations) for organising the games.
3. Claims with respect to the organisation of games shall be submitted within the time limits established by the provisions (regulations) for organising the games and/or the procedures for organising the games in a system based and electronic form.

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Article 31

1. A lottery operator shall address the Revenue Service with respect to organising a draw and submit the following documents for approval two weeks prior to the organisation of such draw:

a) documents to organise draw-based lottery games:

a.a) the provisions (regulations) for the organisation of the draw-based lottery games, which shall include: general playing rules, the starting date of the lottery, the deadline and the venue for the distribution of winnings, a ticket price, terms and conditions for reviewing claims, the quantity and numeration of tickets to be printed;

a.b) an agreement between the lottery operator and the person who issues tickets for draw-based lottery games, indicating the quantity and numeration of the tickets to be issued, except where such tickets are issued by the operator;

a.c) a sample draw-based lottery game ticket;

b) documents to organise instant lottery games:

b.a) the provisions (regulations) for the organisation of the instant lottery games, which shall include: general playing rules, the starting date of the lottery, the deadline and the venue for the distribution of winnings, a ticket price, terms and conditions for reviewing claims, the quantity and numeration of tickets to be printed, the amount of prize money, a list of prizes, and their quantity and unit prices;

b.b) an agreement between the lottery operator and the person who issues tickets for instant lottery games, indicating the quantity and numeration of tickets to be issued, except where such tickets are prepared by the operator;

b.c) a sample instant lottery game ticket.

2. A lottery operator shall inform the Revenue Service in writing of other changes (the replacement of the director, the change of the legal address, the printing of additional tickets, etc.) which cause no substantial changes thereto three days prior to making such changes.

3. A lottery operator shall ensure the publicity of the rules for playing the games and the smooth delivery of information on such rules to players, as well as the establishment of commissions which shall ensure the drawing of the prize money through the observance of and in accordance with the provisions (regulations) for organising such games. The commission shall comprise no less than three invited members who are independent from the lottery operator.

4. A lottery operator shall submit information on the course and results of the draw to the Revenue service within five working days.

5. Instant lottery games may be organised for a period of no more than two years.

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 5169 of 28 October 2011 – website, 11.11.2011

Law of Georgia No 5385 of 8 June 2016 – website, 17.06.2016

Article 31¹

1. For the purposes of reviewing matters related to lotteries and for making respective recommendatory decisions, a council for reviewing matters related to lotteries ('the Council) shall be established within the Ministry of Finance of Georgia, the composition and regulations of which shall be approved by an individual administrative legal act of the Minister of Finance of Georgia.

2. The regulations of the Council shall determine the procedures for reviewing matters by the Council, including the actions required for the preparation of Council meetings, as well as matters related to the replacement of Council members, the course of Council meetings, voting and other relevant matters.



3. The Council shall be composed of staff members of the Ministry of Finance of Georgia, the Ministry of Justice of Georgia, the Ministry of Economy and Sustainable Development of Georgia, the Ministry of Sport and Youth Affairs of Georgia and the Ministry of Culture and Monument Protection of Georgia, and of other persons on the basis of a decision of the Ministry of Finance of Georgia.

Law of Georgia No 3045 of 4 May 2010 - LHG I, No 24, 10.5.2010, Art. 164

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012

Law of Georgia No 4554 of 25 November 2015 - website, 8.12.2015

Article 32

1. A person under the age of 21 shall not be permitted to enter a casino and/or a club where games of chance are organised, and a person under the age of 18 shall not be permitted to enter a slot club and a facility where prize games (except for promotional games) are organised and/or to participate in games of chance (including in games of chance organised in a system based and electronic form). The operator of games of chance and/or prize games shall verify the age of persons who have entered a place where games of chance and/or prize games are organised by checking the identity documents of such persons, if there are reasonable grounds to believe that their age does not comply with the requirements under this paragraph.

2. No lottery tickets shall be permitted to be sold and/or distributed and no winnings shall be permitted to be distributed to persons under the age of 18.

Law of Georgia No 5180 of 3 July 2007- LHG I, No 28, 18.7.2007, Art. 277

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 4127 of 17 December 2010 – LHG I, No 75, 27.12.2010, Art. 487

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012

Law of Georgia No 5385 of 8 June 2016 – website, 17.6.2016

Article 33

1. Gaming tables, card tables, gaming machines and other gaming equipment, which are used for games, may be in the ownership or use of the operator of the games of chance.

2. Gaming tables, card tables and gaming machines shall be used for games of chance only if they are marked by a distinctive sign (factory serial number).

Law of Georgia No 2237 of 9 December 2005- LHG I, No 54, 20.12.2005, Art. 357

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012

Article 34

Taxation and bookkeeping operations for activities related to lotteries, games of chance and other winning games shall be carried out in accordance with the legislation of Georgia.

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Article 35

1. No lotteries, games of chance or other prize games (except for promotional games) shall be held and no tickets of lotteries, games of chance and other prize games shall be sold in children's facilities, medical and educational institutions, religious buildings, children's sanatoriums, libraries, museums, administrative buildings of state and local self-government bodies, nor in other areas (territorial zones, and buildings and structures) that are restricted from holding such games on the basis of a decision of the local self-government bodies.

2. Local self-government bodies are entitled to identify locations (territorial zones, and buildings and structures) where games of chance and prize games (except for promotional games) may be organised, except for the locations (territorial zones, and buildings and structures) provided for by paragraph 1 of this article.

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358



Article 36

The Ministry of Finance of Georgia shall exercise control over the observance of the provisions of this Law and of each paragraph of the rules (regulations) for holding the draws.

Law of Georgia No 2237 of 9 December 2005- LHG I, No 54, 20.12.2005, Art. 357

Chapter V - Liability for Violation of this Law

Article 37

1. Liability for violation of this Law shall be established by the legislation of Georgia.

2. A failure to fulfil the requirements under this Law by operators of games of chance and other prize games shall be construed as a violation of permit conditions and shall entail responsibility in accordance with Article 34 of the Law of Georgia on Licences and Permits.

3. The act of counterfeiting lottery tickets or other documents confirming participation in prize games shall be punishable by the legislation of Georgia.

Law of Georgia No 2237 of 9 December 2005- LHG I, No 54, 20.12.2005, Art. 357

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Article 37¹

The non-fulfilment of permit conditions under this Law by a permit holder shall be subject to a fine in the amount of:

- a) GEL 7000 with regard to holders of a permit to organise a casino;
- b) GEL 20,000 with regard to holders of a permit to organise a casino for violation of a deadline to pay tax duties;
- c) GEL 2000 with regard to holders of a permit to organise a betting house;
- d) GEL 10,000 with regard to holders of a permit to organise a betting house for violation of a deadline to pay tax duties;
- e) GEL 1000 with regard to holders of a permit to organise a slot club;
- f) GEL 10,000 with regard to holders of a permit to organise a slot club for violation of a deadline to pay tax duties;
- g) GEL 1000 with regard to holders of a permit to organise lotto games;
- h) GEL 2000 with regard to holders of a permit to organise lotto games for violation of a deadline to pay tax duties;
- i) GEL 1000 with regard to holders of a permit to organise bingo games;
- j) GEL 2000 with regard to holders of a permit to organise bingo games for violation of a deadline to pay tax duties;
- k) GEL 1000 with regard to holders of a permit to organise promotional games;
- l) GEL 1000 with regard to operators of lotteries, games of chance and prize games for violation of obligations under Article 29 (1) (k) of this Law;
- m) GEL 2000 with regard to holders of a permit to organise a gaming club;
- n) GEL 10,000 with regard to holders of a permit to organise a gaming club for violation of a deadline to pay tax duties.

Law of Georgia No 2237 of 9 December 2005- LHG I, No 54, 20.12.2005, Art. 357

Law of Georgia No 5180 of 3 July 2007– LHG I, No 28, 18.7.2007, Art.277

Law of Georgia No 4933 of 24 June 2011 – website, 30.6.2011

Law of Georgia No 5246 of 8 November 2011 – website, 22.11.2011

Law of Georgia No 5448 of 9 December 2011 - website, 22.12.2011

Law of Georgia No 6052 of 24 April 2012 – website, 27.4.2012



Article 37²

1. The Revenue Service shall be authorised to exercise control over the observance of the terms and conditions of the agreement by the winner of the tender organised by the Ministry of Finance of Georgia in accordance with the legislation of Georgia, who shall be a holder of an exclusive right to organise and hold lotteries. For said purposes, observance of the provisions of this Law, other normative acts and of the terms and conditions of agreements signed with the Ministry of Finance of Georgia, may be inspected at any time. The procedures for the inspection shall be determined by a normative act of the Minister of Finance of Georgia.

1¹. Operators of lotteries shall be obliged to provide the Revenue Service with necessary information required for inspection procedures.

2. The organisation and/or holding of lotteries by an unauthorised person shall entail the imposition of a fine in the amount of GEL 50,000.

3. The organisation and/or holding of each subsequent draw of lotteries by an unauthorised person shall entail the imposition of a fine in the amount of GEL 150,000.

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Law of Georgia No 5385 of 8 June 2016 – website, 17.6.2016

Article 37³

1. An unauthorised person shall be fined by the Revenue Service for conducting activities under Article 37² (2) and (3) of this Law.

2. The procedures and conditions for revealing the facts of organising and/or holding lotteries by an unauthorised person and for imposing fines thereon shall be established by an order of the Minister of Finance of Georgia.

Law of Georgia No 2332 of 15 December 2009 - LHG I, No 47, 28.12.2009, Art. 358

Chapter VI - Transitional Provisions

Article 38

1. (Deleted).

2. Licences (except for licenses to organise casinos and lotteries) which have been issued on the basis of legislation before the entry into force of this Law shall be subject to registration as permits within three months after the entry into force of this Law, and licences and permits to organise casinos shall remain in force until 1 January 2006, following which permits to organise casinos shall be issued in accordance with this Law and Article 7 (10) of the Law of Georgia on Licence and Permit Fees; the holders of licences and permits to organise lotteries shall have the right to organise lotteries within two months after a notification on the selection of a winner of the tender organised by the Ministry of Finance of Georgia is sent.

3. The holder of a licence (except for licences to organise casinos and lotteries) shall, within the period established under paragraph 2 of this article, submit an application for the registration of the licence as a permit, or a licence, or supplementary documents prescribed by this Law or the updated version of documents the validity of which has been expired.

4. The Ministry of Finance of Georgia shall review the submitted documents with regard to the obligations under paragraph 2 of this article and shall issue a permit (except for licences to organise casinos and lotteries) in accordance with the requirements set forth in this Law. In such cases the holder of the licence shall pay the difference between the fees paid during the obtaining of the licence and the fees for obtaining the permit for such games as provided for by law.

5. Licences which have been issued before the entry into force of this Law shall be deemed void if the requirements under paragraphs (2), (3), and (4) of this article are not fulfilled.

6. Permits (except for permits to organise casinos and lotteries), which have been issued before the entry into force of this Law, shall be valid for a year.

7. The Ministry of Finance of Georgia shall notify operators of lotteries, games of chances and other prize games on the supplementary conditions for obtaining permits as set forth in this Law no later than 1 September 2007.

8. The Ministry of Internal Affairs of Georgia shall define video surveillance systems and establish the procedures for the installation and operation thereof in gaming houses and other facilities of prize games (except for promotional game facilities) and in the outdoor perimeters of such places.

9. A holder of a permit which has been issued before the entry of this Law into force shall fulfil the requirement under Article 19 (1²) of this Law no later than one month after the entry of this paragraph into force.

Law of Georgia No 2610 of 28 December 2005 - LHG I, No 59, 31.12.2005, Art. 450

Law of Georgia No 5180 of 3 July 2007– LHG I, No 28, 18.7.2007, Art.277

Law of Georgia No 1126 of 24 March 2009 - LHG I, No 6, 26.3.2009, Art. 22



Article 39

The Ministry of Finance of Georgia shall, within its scopes of authority, exercise control over the observance of the legislative norms of Georgia by holders of licences and permits to organise lotteries, games of chance and other prize games, which have been issued before the entry of this Law.

Article 39¹

The Ministry of Finance of Georgia shall establish the Council as set forth in Article 31¹ of this Law and approve its regulations no later than 1 June 2010.

Law of Georgia No 3045 of 4 May 2010 - LHG I, No 24, 10.5.2010, Art. 164

Article 39²

The Ministry of Finance of Georgia shall establish the procedures for the compensation of fees for services under Article 11¹ (6) of this Law no later than 1 January 2011.

Law of Georgia No 4063 of 15 December 2010 – LGH I, No 74, 24.12.2010, Art. 455

Chapter VII - Final Provisions

Article 40

This Law shall enter into force upon its promulgation.

The President of Georgia

M. Saakashvili

Tbilisi

25 March 2005

No1180-Il

