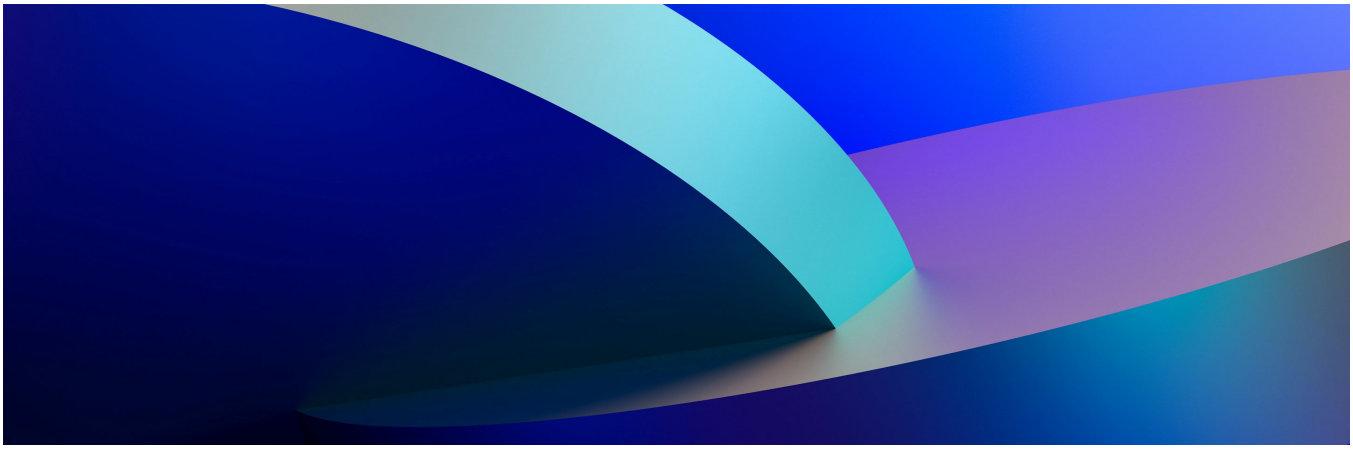


Gambling laws in Bulgaria

1. Regulatory framework

1.1 Is there a Gambling Act (or equivalent) in place?

Yes.

The Gambling Act, promulgated in State Gazette Issue 26 of 30 March 2012, as amended and supplemented (the "**Gambling Act**").

1.2 Is online gambling a regulated activity?

Yes.

Online gambling/betting services are regulated under the Gambling Act.

1.3 Are there any regulators?

Yes.

The National Revenue Agency.

Website: www.nra.bg

1.4 Is there a regulatory regime related to advertising gambling?

Yes.

Specific statutory restrictions and requirements apply to gambling advertising in Bulgaria. Major changes in the gambling advertising legal regime were introduced in 2024, which impacted advertising spend and the visibility of gambling brands.

2. Structuring and corporate governance

2.1 Is a local presence necessary to run gambling activity?

No.

However, one of the requirements for organisers of gambling games is to have their registered seat in

Bulgaria, another EU member state, a member state of the EEA, or the Swiss Confederation.

2.2 If yes, are there any mandatory legal forms of business for gambling companies?

Yes.

Organisers of trading games in the private sector can generally only be registered trading companies. Sole traders are only allowed to organise activities related to the production, import, distribution and servicing of gaming equipment. Not-for-profit legal entities in the public interest can only organise one-time raffles for charity purposes.

There are additional restrictions in the following cases: (i) a licence for organising gambling games in a gaming casino can be issued to a limited liability company or a joint stock company with registered shares, with a fully paid-up capital of a minimum value of BGN 1,500,000 or the BGN equivalent in another currency, and for online betting games, with a fully paid-up capital of a minimum value of BGN 1,500,000 or the BGN equivalent in another currency, as well as to the State; (ii) a licence for organising lottery games, except for raffles, bingo and their variations, may be issued only to the State; (iii) a licence for organising games with slot machines may be issued only to a limited liability company or a joint stock company with a fully paid-up capital of at least BGN 750,000 or the BGN equivalent in another currency.

2.3 Can a local subsidiary be formed by foreign shareholders?

Yes.

2.4 Are there foreign investment restrictions?

Generally, yes. As of 2025, Bulgaria has an effective foreign direct investment screening regime applicable to investments in sectors listed in Article 4 (1) of Regulation (EU) 2019/452 (critical infrastructure, technologies, energy, data, defence, etc.)

Further, foreign persons (except for those which are citizens of, or registered in, another EU member state, a member state of the EEA or the Swiss Confederation) can participate in companies organising gambling games where these companies, directly or through companies controlled by them, fulfil at least one of the following conditions: (i) they organise gambling games in a gaming casino in a hotel with a rating of four stars and above, where the hotel is owned by the company or the controlled company; (ii) they have also invested in organising other activities in Bulgaria, amounts of at least the BGN equivalent of EUR 10,000,000 and to have secured at least 500 jobs.

2.5 Are there any minimum requirements for a gambling company’s statutory capital?

Yes.

Requirements apply to organisers of certain types of gambling games: (i) organisers of gambling games in a gaming casino must have a fully paid-up capital of a minimum value of BGN 1,500,000 or the BGN equivalent in another currency; (ii) organisers of online betting games must have a fully paid-up capital of a minimum value of BGN 1,500,000 or the BGN equivalent in another currency; (iii) organisers of gambling games with slot machines must have a fully paid-up capital of at least BGN 750,000 or the BGN equivalent in another currency.

2.6 Can management include foreign individuals?

Yes.

2.7 Are there any mandatory reporting requirements (beyond tax) regarding a gambling company’s corporate governance matters?

Yes.

Licensed companies must submit documents to the National Revenue Agency evidencing the minimum investments made, the amount of which depends on the type of licence received, within six months after receiving the licence.

3. Licensing

3.1 Do local regulations set out a clear licensing framework for gambling (including the licensing process, criteria, submission requirements, licensing conditions and ongoing compliance requirements)?

Yes.

3.2 Is gambling licensing specific to:

3.2.1 Betting?

Yes.

3.2.2 Sports?

Yes.

3.2.3 Skill games?

No.

Games of an entertaining or sporting nature, which require dexterity, knowledge and skill from the participants, and which do not rely primarily on chance, are not considered to be gambling.

3.2.4 Card Games?

No.

Card games that include the making of a wager fall under the regime for licensing gambling games in a casino.

3.2.5 Casinos?

Yes.

3.2.6 Lotteries?

Yes.

Lottery games include traditional lotteries, raffles, numerical lotteries, and instant lotteries. Licences for organising lottery games, except for raffles, bingo and their varieties, may be issued only to the State.

3.2.7 Arcades?

No.

Entertainment machines do not require gambling licensing. Entertainment machines are defined as technical devices for recreation and entertainment, the demonstration of dexterity and skills, and those for knowledge-based purposes. Entertainment machines can give a prize in the form of an additional game, as well as a tangible prize of insignificant value.

In contrast, slot machines are subject to specific licensing.

3.3 Is the creation of video games for gambling by a software developer subject to gambling licensing?

No.

The organising of a gambling game nevertheless requires a licence.

3.4 What is the term of a licence/permit?

The duration of the licence for organising gambling games can be five or ten years.

3.5 How long does it take to obtain a licence/permit?

Generally, up to two and a half months with options for a 30-day extension.

3.6 Is there any limit on the number of licences that can be granted?

No.

3.7 Are there any specific licensing requirements?

Yes.

Please see section 2 above. Further requirements may apply.

4. Compliance

4.1 Are there any mandatory AML rules generally and for gambling industry specifically?

Yes.

The Bulgarian Measures Against Money Laundering Act ("**MAMLA**") implements the requirements of the European Union AML directives. Licensed organisers of gambling games are obliged entities under the AML Act and as such they must comply with all measures under the MAMLA Act.

4.2 Are there any specific reporting obligations for gambling companies in terms of AML and data protection?

Yes.

The common requirements under the AML and the data protection legislation effective in Bulgaria apply.

5. Data Protection

5.1 Are there any specific Data Protection regulations in place?

Yes.

The common requirements of the General Data Protection Regulation (Regulation (EU) 2016/679) and the Bulgarian Data Protection Act apply.

In addition, for online betting, the storage of all data related to the provision of gambling services (including the registration and identification of participants, bets placed, and winnings paid out) should take place in Bulgaria.

5.2 If yes, do they apply extra-territorially?

Yes.

The same territorial scope applies as per the GDPR.

5.3 Is there a Data Protection Regulator?

Yes.

Bulgarian Personal Data Protection Commission.

Website: www.cpdp.bg

6. Currency control and other cross border issues

6.1 Are there any currency/exchange/finance controls at the present time to transfer cash out of and into the country?

Yes.

General requirements under the Bulgarian legislation apply.

6.2 Where currency/exchange/finance or capital controls do exist:

The controls generally concern crossing a border with cash, anti-money laundering and terrorism financing regulations.

6.2.1 What is the approval regime and process in place?

There is a notification regime under the Bulgarian Currency Act (the "**CA**") which concerns crossing a border with cash. In particular, cash transfers of EUR 10,000 or more (or their equivalent in another currency) to or from countries outside the EU must be declared to the customs authorities. Cash transfers of EUR 10,000 and more (or their equivalent in another currency) to or from EU member states must be declared to the customs authorities if they request so.

6.2.2 Must permission be sought for each transaction, or can pre-approvals take place (subject to defined limitation, or otherwise)?

In principle, the notification system applies to each border crossing.

6.2.3 Other comments

The payment of any gain in cash is permitted up to BGN 5,000 (approx. EUR 2,500). If the amount of the gain is higher, the payment must be made via bank transfer.

7. Marketing and advertising

7.1 Is the advertising/marketing of gambling activity allowed in your country?

Under the Bulgarian Gambling Act, only limited gambling advertising is admissible, as follows:

1. on outdoor billboards located at least 300 metres from educational institutions, community cultural centres, playgrounds, schools, student hostels and facilities providing social services to children and young people;
2. on the facade of a gambling games site, advertising the activities of the site operator, where the total area of the advertisements and signs must not exceed 20% of the facade and 50 sq. m.;
3. on sports equipment, sports facilities, sports halls, stadiums and swimming pools; on materials or products belonging to sports federations, clubs, associations and organisations; except on sports equipment, materials or products intended for use by minors.

At least 10% of the advertising area in items 1, 2 and 3 (except for sports equipment) must by

occupied by the text: "Gambling poses a risk of developing addiction".

Advertisements under items 1 and 2 may contain:

1. the names, types and varieties of gambling games;
2. the organiser's registered trademark.

Advertisements on sport events under item 3 may also contain the name of organiser's company.

7.2 Are there any advertising methods which cannot be used by gambling companies?

Yes.

The amendments to the Gambling Act in 2024 led to significant changes in the gambling advertising legal regime. While previous versions of the law allowed gambling advertising under certain restrictions, the current regime explicitly prohibits gambling games advertising:

- in radio and TV programmes, except for gambling activities run by the State;
- in public places, including building facades;
- in printed works and electronic media, including websites;
- on state and municipally owned property, with certain exceptions;
- on outdoor advertising facilities, with certain restrictions.

As per § 1, p. 23 of the Gambling Act, gambling game advertising is defined as any form of information disseminated by any means which directly invites users to participate in gambling games. This includes creating the impression that users will solve their personal or financial problems or achieve financial prosperity by participating in the game, or inviting citizens to participate in the game with the promise of big winnings. Gambling game advertising also includes any form of commercial message, announcement, recommendation or action that uses the name or trademark of a gambling game organiser, as well as the name or trademark of a gambling game organiser on products and goods.

The following is also prohibited under the Gambling Act:

i. targeting minors (persons under 18) and persons under total or partial judicial disability;
ii. sending unsolicited electronic messages containing gambling information to an unlimited number of persons.

7.3 Can gambling companies be sponsors of sports events?

Yes.

7.4 Is it allowed to involve celebrities to advertise gambling activities?

Yes.

7.5 Are there any CSR requirements for gambling companies?

Yes.

Gambling games' organisers are obliged to make annual contributions for socially responsible behaviour for each issued licence in the following amounts:

1. for online betting, ca. EUR 30,000;
2. for games in a casino, ca. EUR 10,000;
3. for all other gambling games, ca. EUR 5,000.

7.6 Are there any other restrictions/limitations on advertising gambling activities?

Yes.

Radio and television broadcasters, video-on-demand platforms and video-sharing platforms are obliged to comply with the National Ethical Rules for Advertising and Commercial Communication, including the specific provisions of the Ethical Standards for Advertising and Commercial Communication of Gambling.

8. Tax

8.1 Is there any specific tax regime for gambling companies?

Yes.

Online casino: 10% standard corporate tax flat.

Off-line casinos: a fixed tax per machine/seat/slot in specific games (roulette, slot machines, etc).

Fixed tax to maintain the gambling licence: either a one-off tax or an annual tax—different rates apply depending on the term of the license and the type of gambling.

Gambling activities on games betting through the price of telephone or other telecommunication service at 15% flat on the mark-up of the telecommunication service price.

Sports/events betting, lotto, bingo, keno and similar games: a one-off fee of BGN 300,000 (ca. EUR 150,000) and a variable part of 20% on the difference between the value of the bets received and the winnings paid, and for games for which participation fees and commissions are collected, 20% on the value of the fees and commissions received.

Commissions on organising gambling tournaments (e.g. poker): 20% on the commissions collected.

If the above gambling activities are on-line, the charges are:

- BGN 400,000 (ca. EUR 200,000) per annum plus 20% on the positive difference between the bets made by participants and profits paid for sports/events betting, lotto, bingo, keno and similar;
- 20% on commissions collected for on organising gambling tournaments and events (e.g. poker).

Specific State fees apply under the Gambling Act on providing a gambling licence for specific gambling activities. The fees vary according to the gambling activity and duration of the licence.

8.2 Is there a tax implication for transferring cash out of the country?

Yes.

The general regime related to dividends, return of capital, and loan payments.

8.3 Is there a tax implication for transferring cash into the country?

Yes.

Depending on the type of payment.

8.4 Is there a tax implication for offering trading activities remotely in the country?

Yes.

Depending on the local presence, a permanent establishment may be created.

8.5 Are there any other observations regarding the taxation of gambling activities (locally and remotely)?

Yes.

Tax and gambling fees are due depending on the specific licensed activities.

Key Contacts



Assen Georgiev
Sofia
Partner
Head of Litigation, Arbitration, Insurance, Employment, CMS Sofia



Nevena Radlova
Sofia
Partner
Head of Antitrust, Competition and Trade and IP

Authors



Assen Georgiev
Sofia
Partner
Head of Litigation, Arbitration, Insurance, Employment, CMS Sofia



Nevena Radlova
Sofia
Partner
Head of Antitrust, Competition and Trade and IP