
CHAMBERS GLOBAL PRACTICE GUIDES

Gaming Law 2023

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Poland: Law and Practice
Anna Wietrzyńska-Ciołkowska
DWF Poland



POLAND

Law and Practice

Contributed by:

Anna Wietrzyńska-Ciołkowska
DWF Poland



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Author



Anna Wietrzyńska-Ciołkowska is a corporate lawyer at DWF Poland focused on the gambling sector. She advises clients on licensing, providing gambling services, promotional lotteries and contests, acquiring gambling companies and structuring co-operation between partners, outsourcing of gambling functions, payment and advertising restrictions as well as gambling

tax. She participated in the legislative process representing the offshore gambling sector. Anna regularly publishes articles on corporate, insurance and gambling issues in national and international media and actively participates in gambling conferences. In 2018, she co-authored a book on compliance of Polish gambling law with EU law, published by Wolters Kluwer.

DWF Poland

Plac Stanisława Małachowskiego 2
00-066
Warsaw
Poland

Tel: +48 22 653 4200
Fax: +48 22 653 4250
Email: anna.wietrzyńska-ciołkowska@dwf.law
Web: www.dwfgroup.com



1. Introduction

1.1 Current Outlook and Recent Changes

The Polish gambling sector is regulated under the Act of 9 November 2009 on gambling games (the “Gambling Act”) and secondary legislation related to it. Sanctions related to a breach of the Gambling Act are also included in the Polish Fiscal Criminal Code.

There are occasionally minor changes aimed at improving the efficiency or effectiveness of the regulation or the protection of players; however, since the last major amendment of 2017 the basic framework has remained the same.

The Gambling Act regulates gambling games both in traditional land-based and online channels. Gambling games are deemed to be games of chance, mutual betting, card games and machine games.

In the case of any games similar to the foregoing, there is an option for an interested party to apply to the relevant minister for public finance (further referred to as the “Regulator”) for the issuing of a decision determining whether they are gambling games within the meaning of the Gambling Act.

2. Jurisdictional Overview

2.1 Online

All forms of online gambling except for online betting and promotional lotteries are reserved for the State monopoly exercised by Totalizator Sportowy, a Polish state-owned company. Currently the gambling offer of the State monopoly (both Totalizator Sportowy and Traft) includes number games, cash lotteries, gaming machines, card games, roulette, dice, poker and horse racing.

Fantasy sports and social gaming are not regulated in Poland as gambling games. Therefore, in their case the analysis should be on a case-by-case basis to determine whether a given game is similar to any form of gambling regulated by the Gambling Act. It is recommended that interested parties apply to the Regulator for a decision determining the status of such a game as a gambling game or not. A party unhappy with the Regulator’s decision may request the reconsideration of such a decision and attempt to challenge this before the administrative courts.

Betting is also possible on results of virtual events and e-sport competition.

2.2 Land-Based

When it comes to land-based gambling, private operators can obtain licences for betting or casino games (including poker, blackjack and baccarat, dice, roulette and other cylindrical casino games and games on gaming machines), cash and raffle bingo, raffle lotteries, promotional lotteries and audiotote lotteries. Only number games, cash lotteries, tele bingo and games on gaming machines outside casinos are reserved to the State monopoly.

Poker tournaments can also be organised based on a licence outside “brick and mortar” casinos; however, for private operators, they can only be land-based tournaments and not online.

3. Legislative Framework

3.1 Key Legislation

The main act regulating gambling in Poland is the Gambling Act (see **1.1 Current Outlook and Recent Changes**). There is also secondary legislation related to it. Fiscal and criminal sanctions for breaching the Gambling Act are regulated

under the Fiscal Criminal Code. Other key applicable legislation includes the Tax Ordinance and the Act on National Fiscal Administration.

3.2 Definition of Gambling

Gambling is defined by the Gambling Act by listing the particular types of gambling games, namely, games of chance, mutual betting, card games and machine games.

The Act understands games of chance to include games organised via the internet, played for cash or non-cash prizes, whose results depend especially on an element of chance. These are:

- number games in which the winnings are obtained by correctly selecting numbers, signs or other distinguishing features, and the amount of winnings depends on the total amount of the stakes paid as well as the number game keno, in which the winnings are obtained by correctly selecting numbers and the amount of winnings is the product of the stake paid and the multiplier established for each degree of the winnings;
- cash lotteries in which one participates by acquiring a ticket or other evidence of participation in the game, and the lottery organiser offers only cash winnings;
- tele bingo in which one participates by acquiring proof of participation in the game containing random sets of numbers or signs from a predetermined set of numbers or signs, carried out on a nationwide scale with the drawing broadcast as a television broadcast, and the entity arranging the game offers winnings in cash or in kind;
- cylindrical games in which one participates by selecting numbers, signs or other distinguishing features, and the amount of winnings depends on a predetermined ratio of payment to winnings, and the outcome of the game is

determined by means of a rotating device, or cylindrical games arranged on these principles on the internet;

- dice games;
- cash bingo in which one participates by acquiring random sets of numbers from a predetermined set of numbers, and the game organiser offers only cash winnings, the amount of which depends on the total amount of the stakes paid;
- raffle bingo in which one participates by acquiring random sets of numbers from a predetermined set of numbers, and the entity arranging the game offers only winnings in kind;
- raffle lotteries in which one participates by acquiring a ticket or other evidence of participation in the game, and the entity arranging the lottery offers only winnings in kind;
- promotional lotteries in which one participates by acquiring a good, service or other evidence of participation in the game and thus participates free of charge, and the entity arranging the lottery offers winnings in cash or in kind;
- audiotele lotteries, in which one participates by paid: (i) telephone calls, and (ii) sending text messages using the public telecommunications network.

Mutual betting under the Gambling Act is understood as the bets for winnings in cash or in kind, consisting in guessing:

- the results of a sports competition between humans or animals, in which participants pay stakes and the amount of winnings depends on the total amount of stakes paid – totalisators;
- the occurrence of various events, including virtual events, in which participants pay stakes, and the amount of winnings depend

on the ratio of the payment to the winnings agreed upon between the bettor and the stakes depositor – bookmaking.

Virtual events are understood as computer-generated events involving a sports competition between humans or animals.

Card games under the Gambling Act considered to be blackjack, poker and baccarat if played for cash or material prizes.

The definition of games on gaming machines is so wide that in theory even some of video games could be considered as games on gaming machines. Namely, the Gambling Act understands machine games (slot machines) to be any game on a mechanical, electromechanical or electronic device, including computer games, as well as games corresponding to the rules of gaming machine games organised via the internet for winnings in cash or in kind, in which the game contains an element of randomness. Further, winnings in kind in machine games are also winnings consisting in the possibility of prolonging the game without paying a stake for participation in the game, as well as the possibility of starting a new game by using the winnings in kind obtained in the previous game. What is more, the Gambling Act considers gaming machine games also to be games on mechanical, electromechanical or electronic devices, including computer games, as well as games corresponding to the rules of gaming machine games arranged via the internet organised for commercial purposes, in which the player does not have the opportunity to win in cash or in kind, but the game is of a random nature. Fortunately for the Polish gaming sector, so far, the Regulator has not officially confirmed loot boxes in video games as gambling, although

sometimes it considers mechanisms similar to loot boxes as, eg, promotional lotteries.

As mentioned at **1.1 Current Outlook and Recent Changes**, in the case of any game similar to the foregoing, the minister competent for public finance as the Regulator is authorised to decide, upon application or ex officio, whether games or bets having the above characteristics are games of chance, betting, card games or gaming machine games within the meaning of the Gambling Act.

3.3 Definition of Land-Based Gambling

There is no separate definition of land-based gambling. The Gambling Act lists all gambling games and provides that they may be organised via the internet.

3.4 Definition of Online Gambling

See 3.3 Definition of Land-Based Gambling.

3.5 Key Offences

There are administrative and fiscal-criminal offences related to gambling in Poland. The key fiscal criminal offences include:

- illegal gambling understood as organising or conducting gambling games contrary to the provisions of the Gambling Act or the terms and conditions of a licence or participation on the territory of the Republic of Poland in a foreign gambling game;
- organising games without the required official inspection or without imposing required official seals;
- destruction of lottery tickets, cartons or other evidence of participation in a cash lottery, lottery or lottery bingo game without the required notification to the competent authority;

- failure to notify in a timely manner the competent authority of the destruction or theft of a gaming machine or device;
- illegal possession of a gaming machine contrary to the terms of the licence or without the required official inspection or without applying required official seals;
- illegal organisation of raffle lotteries, raffle bingo, promotional lotteries or audiotele lotteries contrary to the provisions of the Gambling Act or the terms and conditions of a licence;
- participation in a gambling game, arranged or conducted in violation of the provisions of the Gambling Act or the terms of a licence;
- illegal sale of lottery tickets or other evidence of participation in a game of chance, betting or a machine game;
- advertising or promotion of cylindrical games, card games, dice games, betting or machine games, or informing of sponsorship by an entity conducting activities in the field of such games or bets, contrary to the Gambling Act;
- allowing a person who has not attained the age of 18 to participate in a gambling game other than a promotional lottery or a raffle lottery; and
- lack of proper supervision with respect to the observance of the rules applicable to the activities of a given entrepreneur or other organisational unit, allowing, even if unintentionally, the commission of a prohibited act specified above.

Administrative sanctions can be imposed on:

- a person who organises gambling games without a licence or without making the required notification;
- an organiser of gambling games on the basis of a licence granted or a notification made, who violates the terms of the approved regulations, a licence granted, or a notification

- made, or who conducts games on gaming machines, a drawing device or gaming devices without the required registration of a gaming machine, a drawing device or a gaming device;
- a dependent owner of premises where unregistered gaming machines are located and where catering, retail or service activities are conducted;
- the owner of the premises where unregistered gaming machines are located and where catering, trade or service activities are conducted, provided that the premises are not subject to dependent possession;
- a payment service provider who fails to comply with payment blocking obligations;
- a participant in a gambling game arranged without a licence or without a notification;
- a telecommunications entrepreneur who has not fulfilled the domain blocking obligations; and
- an organiser of a gambling game, the organisation of which is with the State monopoly.

3.6 Penalties for Unlawful Gambling

Penalties for unlawful gambling can be divided into administrative and fiscal criminal. They differ depending on the type of committed offence; however, the maximum penalties are as follows.

- Administrative fines may be imposed up to five times the licence fee, ie, in 2023 up to PLN10,504,704 (approximately EUR2.36 million).
- Fiscal criminal penalties are more severe and include imprisonment up to three years or a fine up to 720 times the daily rates, which in 2023 may be up to PLN34,560,000, ie, approximately EUR7.75 million.

3.7 Recent or Forthcoming Legislative Changes

It is expected that there will be further increases in potential fines as a result of inflation and a further increase in the basis and average salaries in Poland.

4. Licensing and Regulatory Framework

4.1 Regulatory Authority

There is no separate authority dedicated only to gambling matters and the sector. All key competences are divided between:

- the minister competent for public finance who is the Polish Regulator granting the gambling licences, supervising the sector and being supported on a daily basis by a respective internal department; and
- the National Fiscal Administration as well as the Customs and Fiscal Service, which are the controlling authorities.

4.2 Regulatory Approach

With the exception of casinos and gaming machine arcades, there are no limits on the number of available licences. If a given licence is available to private operators (see **2.1 Online** and **2.2 Land-Based**), any interested parties that meet the criteria established under the Gambling Act can apply and obtain a licence.

In the case of casinos, there is a maximum number of available licences and therefore a tender process is organised to grant a licence for a given location. In the case of gaming machine arcades covered by the State monopoly, the Gambling Act provides for a maximum number in a given location.

4.3 Recent or Forthcoming Changes

The latest changes to the Gambling Act included adding the possibility to apply for a licence electronically and adding state subsidies as an additional source of the Physical Culture Development Fund.

On 13 November 2023, the new parliament begins its term and all legislative processes will begin anew (the principle of discontinuity); therefore, any proposals amending the Gambling Act will have to be filed again.

The most awaited changes in the Polish sector are changing the taxation of betting from turnover tax to gross gaming revenue (GGR), broadening the scope of games that can be operated by private operators and further combatting the of black and grey market. Time will tell whether there is the political will necessary to introduce those changes and further liberalise the Polish gambling market.

4.4 Types of Licences

Licences are granted to private operators, ie, they are not granted for games covered by the State monopoly; however, locations of land-based gaming machine arcades run by the State monopoly must be approved by the fiscal administration and terms and conditions of gambling games are also approved by the Regulator. Private operators can obtain a licence authorising them to operate the following games: betting, casino games (including poker, blackjack and baccarat, dice, roulette, and other cylindrical casino games and games on gaming machines), cash and raffle bingo, raffle lotteries, promotional lotteries and audiotote lotteries.

There are separate licences for betting available for online and land-based channels. With the exception of online betting and online promo-

tional lotteries, all other forms of online gambling are covered by the State monopoly.

4.5 Availability of Licences

As mentioned at 4.2 **Regulatory Approach**, with the exception of casinos, where there is a limit on the maximum number of casinos (one casino may be located in towns with up to 250,000 residents; for each additional 250,000 residents, the number of permitted gambling casinos is increased by one; however, the total number of gambling casinos in the province cannot exceed one casino for every full 650,000 residents) and when one licence is going to expire, the Regulator organises a tender process for operators to apply for a new licence in a given location, all other licences are available without limitation with respect to their maximum number throughout the year.

With respect to gaming machine arcades covered by the State monopoly, the limit is one gaming machine for every 1,000 residents of the district.

4.6 Duration of Licences

The duration of the licence depends on the type of gambling games. A licence to operate a gambling casino is granted for a period of six years. Similarly, a licence to operate a cash bingo venue and a licence for betting is granted for a period of six years. On the other hand, a licence to organise a raffle lottery, raffle bingo, promotional lottery and audiotote lottery is granted for the duration of the lottery or the game, but for no longer than two years.

An operator holding an expiring licence for a cash bingo venue or a licence for betting may apply once for an extension of the licence for the next six years.

4.7 Application Requirements

There are detailed requirements related to applying for a given type of licence. However, they can be summarised as:

- the documents confirming the existence and good standing, as well as the financial standing, of the applicant;
- the legality of sources of capital of the applicant and their shareholders holding at least 10% of the shares;
- financial statements;
- AML, TCF and accounting compliance;
- history and shareholder structure (including information about shareholders holding at least 10% of the shares);
- management and supervision authorities;
- criminal record clearance certificates for members of management, supervisory board and shareholders holding at least 10% of the shares;
- no pending investigations against the above persons;
- no delays in payments of taxes, customs and social security premiums;
- a detailed business plan;
- location of premises;
- types of games;
- game rules and regulations; and
- responsible gambling policies and in the case of online games the software and hardware used to organise the online games, while in the case of land-based casinos or betting shops positive opinions with respect to the planned location of particular premises and ICT systems monitoring the premises.

In the case of games on gaming machines (casino games and gaming machine arcades), there are additional requirements and certificates required. Those may be issued only by the entities authorised to do so by the Regulator.

Additionally, operators from the EEA who would like to obtain a licence in Poland without establishing a Polish company should present documents confirming that they already conduct gambling activity in another EEA jurisdiction and, if they do not want to establish a branch in Poland, they also need to appoint a local representative in Poland.

4.8 Application Timing

Application timing depends on the type of licence. The Gambling Act provides that the consideration of applications for a licence takes place within six months from the date of submission of the application, except for licences relating to promotional lotteries, audiotote lottery and raffle lottery where it takes place within two months from the date of submission of the application. In practice, licensing authorities usually ask some additional questions or require filing additional documentation, which extends those deadlines to 9-12 months in the case of casino and betting licences and a couple of months in the case of promotional lotteries, audiotote lotteries and raffle lotteries.

4.9 Application Fees

While applying for a licence, an applicant is required to pay a one-off licence fee. Its amount depends on the type of gambling game. The fee for granting:

- a licence to operate a gambling casino is 32,000% of the base amount;
- a licence to operate a cash bingo venue is 5,500% of the base amount;
- a licence to arrange betting is 2,000% of the base amount, plus:
 - (a) for each betting shop – 50% of the base amount;
 - (b) for arranging bets via the internet – 2,000% of the base amount;

- (c) for each website used to arrange betting – 5,000% of the base amount;
- a licence to arrange a raffle lottery or a raffle bingo is 100% of the base amount, and, when the permit relates to games arranged within one province, is 50% of the base amount;
- a licence to organise a promotional lottery or audiotote lottery is 10% of the value of the prize pool, but not less than 50% of the base amount; and
- the fee for consideration of the application for settlement of the nature of the games is 200% of the base amount.

The fee for modification of a licence or permit in the case of modification of:

- the casino licence is 400% of the base amount;
- the other licence is 200% of the base amount;
- a permit in the part concerning a gaming centre is 10% of the base amount; and
- a permit for the organisation of betting concerning each betting shop is 10% of the base amount.

The fee for registration of a gaming machine, drawing device or gaming device is 50% of the base amount.

The base amount for a given calendar year is equal to the amount of the average monthly salary in the enterprise sector without profit sharing, in the second quarter of the previous year, as announced by the President of the Central Statistical Office in the Official Journal of the Central Statistical Office. In 2023, it is PLN6,565.44. In 2024, it will be PLN7,364.30, ie, approximately EUR1,500-1,700.

4.10 Ongoing Annual Fees

Apart from the one-off licensing fee payable for granting the licence, there is no annual fee.

5. Land-Based Gambling

5.1 Premises Licensing

Secondary legislation provides the specific requirements that should be met by the premises in which the casino, betting shop or gaming machine arcade are to be located. They include requirements for planning the location in the municipality, in particular, the minimum distance from schools, kindergartens, educational and upbringing establishments, youth educational centres, youth socio-therapy centres, special educational centres for children and adolescents with additional needs, establishments providing care and upbringing for students during the period of receiving education outside the place of permanent residence, places of religious worship and other gaming centres, taking into account the need to reduce the negative socio-economic effects of gambling.

There is no separate licence for the premises themselves, although any such location is approved as a part of the licensing process and any change to the premises requires an amendment to the gambling licence or the expiration of the licence with respect to such premises.

The operator of land-based casino games and/or a machine gaming arcade is obliged to install an audio-visual game control system in the casino and/or machine gaming arcade for controlling the course and conduct of games, including allowing verification of the correct results of games, settlement of tokens and cash, issuing certificates of winnings and keeping records of winnings paid out (spent) and resolving doubts

related to the organisation of games, as well as ensuring the possibility to control and verify persons entering the gambling casino and gaming machine arcade by means of audio-visual signal recording.

5.2 Recent or Forthcoming Changes

There have been no recent changes in this area.

6. Online Gambling

6.1 B2C Licences

B2C licences available in Poland have been described in **4.4 Types of Licences – 4.10 Ongoing Annual Fees**. Apart from these, there are no other licences; although, as mentioned at **4.7 Application Requirements**, the software and hardware are evaluated as a part of the licensing process.

6.2 B2B Licences (Suppliers, Software, Etc)

No B2B licences are required for online betting. As mentioned at **4.7 Application Requirements** and **6.1 B2C Licences**, as a part of the licensing process an applicant is required to submit documents containing:

- the address and technical documentation of the website that will be used to arrange bets;
- the proposed rules for verifying the completion of 18 years of age by betting participants;
- the expert opinion on proof of participation in the bets confirming their security against tampering by unauthorised persons and the possibility of verifying their authenticity; and
- the rules for storing and recording the betting capital.

In practice, these documents and the expert opinion form technical documentation describ-

ing the used software and hardware, location of servers and security measures.

Any gaming machines, drawing machines and gaming devices may be operated by entities holding a licence to operate games of chance or machine games and by entities exercising the State monopoly, after they have been registered by the head of the customs and tax office. The aforementioned obligation does not apply to terminals in number games used for the organisation of number games or the sale of cash lotteries, as well as devices used for the organisation of number games or cash lotteries arranged on the territory of more than one state (multijurisdictional games).

Registration of a gaming machine, drawing machine or gaming device means that it is admitted to operation. Registration is made for a period of six years. The head of the customs and tax office registers gaming machines and gaming devices that meet the conditions set forth in the Gambling Act, on the basis of the opinion of an examination unit authorised by the Regulator for the technical examination of gaming machines and gaming devices.

6.3 Affiliates

There are no specific provisions regulating the use of affiliates in Poland. For details related to advertising and promotion, see **9.1 Regulatory/Supervisory Agency – 9.5 Sanctions/Penalties**.

6.4 White Labels

There are no specific provisions related to the use of white label providers. Gaming platforms provided by renowned providers are evaluated by the Regulator as a part of the licensing process and documentation describing such platforms is provided as a part of the technical

documentation described in **6.2 B2B Licences (Suppliers, Software, Etc)**.

6.5 Recent or Forthcoming Changes

There are no material changes to online gambling.

6.6 Technical Measures

In accordance with the Gambling Act, any operator without a valid Polish gambling licence whose website is accessible from the territory of Poland is breaching the Polish Gambling Act. Therefore, to protect Polish residents against unlicensed gambling and to channel customers from the Polish territory to the websites offered by operators holding Polish gambling licences or operated by the State monopoly, both IP and payment blocking were introduced in 2017.

To this end, there is an official blacklist of the domain names which are blocked in Poland by telecommunications entrepreneurs and payment services providers. The list is accessible here: <https://hazard.mf.gov.pl/> and, as of 9 November 2023, there are over 37,800 domains listed. The blacklist is kept as the Register of domains used to offer gambling games contrary to the Gambling Act. It is public and maintained in an ICT system, enabling automatic transmission of information to the ICT systems of telecommunications entrepreneurs and payment service providers. In the register, domains are entered which are used for the organisation of gambling games or used to advertise or promote gambling games in violation of Polish law, ie, without a Polish gambling licence, which are available to internet users located on the territory of the Republic of Poland.

Any telecommunications entrepreneur providing internet access services is obliged to prevent, free of charge, access to websites using internet

domain names entered in the Register by removing them from telecommunications entrepreneurs' information and communication systems used to convert internet domain names into IP addresses, no later than 48 hours after entry in the Register as well as to redirect, free of charge, calls referring to internet domain names entered in the Registry to a website maintained by the minister competent for public finance, containing a message, addressed to recipients of internet access service, including information about the location of the Registry, entry of the sought internet domain name in this Registry, a list of entities legally offering gambling on the territory of the Republic of Poland, as well as notification of the threatened criminal and fiscal liability of the participant of games arranged in violation of the provisions of the Gambling Act. It is also obliged to provide free access to websites using domain names deleted from the Registry, no later than within 48 hours of deletion of the internet domain name from the Registry.

Further, it is prohibited for any payment service providers to provide payment services on websites using internet domain names registered in the Registry. If payment services are provided on a website using an internet domain name entered in the Registry, the payment service provider is obliged to cease providing such services within 30 days from the date of registration of the domain in the Registry.

An entity that organises gambling games on a website using a domain name entered in the Register, or that is a telecommunications entrepreneur, or that holds legal title to a domain name entered in the Register, or that is a payment service provider, may file an objection to the minister competent for public finance against an entry in the Register, within two months from

the date on which the domain name was entered in the Register.

7. Responsible Gambling (RG), Also Known as Safer Gambling (SG)

7.1 RG Requirements

In order to ensure the protection of customers from the negative effects of gambling, the operator of online gambling games is required to implement a responsible gaming policy, including, in particular:

- the requirement to place, in a conspicuous manner, on the website used for gambling:
 - (a) information about the operator and how to contact it;
 - (b) information on the licence authorising the operator to organise games indicating its subject, validity period, and the name of the authority that granted it (in the event that the licence is required);
 - (c) the rules and regulations of the game;
 - (d) information on the prohibition of gaming to persons under 18 years of age;
 - (e) information on the risks of gambling; and
 - (f) names of institutions helping persons with gambling problems with a link to the websites of these institutions;
- the procedure for verification of the age of 18 years of age of the participants of the game;
- the procedure for player registration on a player account or temporary player account as a condition for starting and running the game;
- mechanisms that allow game participants to control their activity on the website used in the gambling game;

- mechanisms to prevent game participants from playing after the funds in the player's account have been exhausted; and
- means to ensure the protection of minors in the way commercial information is presented on the website.

The draft of the responsible gaming policy is reviewed and approved by the Polish Regulator as a part of the licensing process.

7.2 Recent or Forthcoming Changes

There are no recent or forthcoming changes in this area.

7.3 Gambling Management Tools

Gambling management tools depend on the operator and the approved responsible gaming policies. However, typically they include deposit limits, playing time limits, self-exclusions, reality checks or time outs.

8. Anti-money Laundering (AML)

8.1 AML Legislation

AML in Poland is regulated under the Act of 1 March 2018 on the prevention of money laundering and financing of terrorism (the "AML Act"). The AML Act regulates the obligations of different types of entities, including gambling operators.

8.2 Recent or Forthcoming Changes

There are no material changes in this area.

8.3 AML Requirements

Gambling operators are considered by the AML Act as obliged entities and therefore must:

- conduct enhanced KYC identification and verification of their clients;

- prepare risk assessment reports;
- adopt internal AML policies;
- report any suspicious transactions to the Polish Inspector General of Financial Information; and
- appoint an AML Officer.

9. Advertising

9.1 Regulatory/Supervisory Agency

There is no separate agency responsible for gambling advertising. General supervision is up to the Regulator while controlling checks are performed by customs and tax authorities.

9.2 Definition of Advertising

Advertising of cylindrical games, card games, dice games, betting or gaming machine games is understood as public dissemination of trade marks or graphic symbols and other signs related thereto, as well as the names and graphic symbols of entities operating cylindrical games, card games, dice games, betting or gaming machine games, as well as information about places where such games or bets are held and opportunities for participation.

The promotion of cylindrical games, card games, dice games, betting or gaming machine games is understood as the public presentation of such games or bets, the distribution of props related to them, the handing out of tokens or proofs of participation in such games or their sale in public places, as well as other forms of publicly encouraging participation in them or convincing people of their advantages or encouraging people to enter gambling casinos or betting points.

Advertising and promotion of cylindrical games, card games, dice games, betting or gaming machine games is also considered as adver-

tising and promotion of products and services whose name, trade mark, graphic shape or packaging uses a resemblance or is identical to the designation of cylindrical games, card games, dice games, betting, gaming machine games, gambling casino or betting shop, or with the name, business name or designation of an entity operating cylindrical games, card games, dice games, betting or gaming machine games.

Advertising and promotion of cylindrical games, card games, dice games, betting or gaming machine games is also considered as advertising and promotion of entities whose advertising image uses the likeness of or is identical to the designation of cylindrical games, card games, dice games, betting, gaming machine games, gambling casino or betting shop, or with the company, name or designation of an entity operating cylindrical games, card games, dice games, pari-mutuel betting, gaming machine games or any other symbol objectively referring to such designations.

Sponsorship means direct or indirect financing or co-financing of the activities of natural persons, legal persons or unincorporated organisational units for the purpose of disseminating, perpetuating or enhancing the reputation of cylindrical games, card games, dice games, betting and gaming machine games, operators of such games or betting, or any other sign individualising the operator of such games or betting or its activities, in exchange for information about sponsorship. In addition, informing about sponsorship is understood as presenting information containing the name or other sign individualising the sponsor, in connection with sponsorship.

9.3 Key Legal, Regulatory and Licensing Provisions

Advertising and promotion of cylindrical games, card games, dice games, gaming machine games and betting is prohibited, except for advertising of betting by Polish betting licence holders within the scope provided under the Gambling Act.

It is also forbidden to advertise sponsorship using the trade name and trade mark used for offering cylindrical games, card games, dice games, accepting bets and gaming machine games. However, it is permissible to inform about sponsorship by an entity conducting activities exclusively in the field of accepting bets, or this activity together with other activities not subject to restrictions on advertising, promotion or informing about sponsorship – only by presenting information containing the name or other sign individualising the sponsor.

The prohibitions apply to natural persons, legal persons and organisational units without legal personality, which commission or conduct the above activities or place advertising or information or derive benefits from such activities.

The prohibitions do not include advertising and promotion conducted in a gaming centre or a betting shops, or the marking of the name of the entity or the company's logo or the name of the business activity conducted, outside the building, the place where the gaming centre or the betting shop is located, as well as, in the case of gambling games conducted over the internet, advertising or promotion conducted on the website specified in the licence that is used for the organisation of such games.

It is also prohibited to offer and advertise certain banking activities in a gaming machine arcade

and on a website where gambling games are arranged.

9.4 Restrictions on Advertising

The advertising of betting establishments for which a Polish licence has been granted is permitted, provided that:

- it is not directed at minors, does not depict minors and is not carried out with the participation of minors;
- it does not link the arranging of games or participation in games with physical or intellectual prowess or the chance of easy winnings;
- does not contain statements that participation in gambling has a relaxing, calming effect or is a means of solving personal conflicts or financial problems;
- does not portray abstinence or moderate participation in games in a negative way;
- does not encourage the payment of higher stakes as a factor that increases the chance of winning; and
- does not evoke associations with:
 - (a) sexual attraction;
 - (b) relaxation or leisure;
 - (c) study or work; and
 - (d) professional, life or financial success.

Such advertising cannot be conducted:

- on television, radio, cinemas and theatres between the hours of 6.00 and 22.00; with the exception of advertising conducted during the broadcast of sports events of which the entity conducting the business of accepting bets is a sponsor or is a sponsor of the team or players actively participating in the sports event;
- in youth and children's press;
- on the covers of daily newspapers and magazines; and

- in public places, with the exception of mass events and sporting events of which the betting operator is a sponsor or is a sponsor of the team or players taking an active part in the sports event in question or is a sponsor of a sports association that has a connection with the organised event.

The exclusion referred to above includes only advertising of games organised by the sponsor or advertising of the sponsor.

The advertising of betting may be conducted provided that it includes a message about:

- the consequences of participation in illegal gambling;
- the risks associated with gambling; and
- possession of a licence to arrange betting.

9.5 Sanctions/Penalties

As mentioned at 3.6 Penalties for Unlawful Gambling, whoever, contrary to the provisions of the Gambling Act, orders or conducts advertising or promotion of cylindrical games, card games, dice games, betting or gaming machine games, places advertising of such games or betting, or informs of sponsorship by an entity operating such games or betting, may be subject to a fine of up to 720 daily rates, which in 2023 may be up to PLN34,560,000, ie, approximately EUR7.75 million.

Whoever profits from advertising or promoting cylindrical games, card games, dice games, betting or gaming machine games commissioned or conducted in violation of the Gambling Act, from placing advertising in violation of the Gambling Act, or from informing about sponsorship by an entity conducting activities in such games or betting, may be subject to the same sanction.

9.6 Recent or Forthcoming Changes

There are no material changes in this area.

10. Acquisitions and Changes of Control

10.1 Disclosure Requirements

Any change in the structure of the share capital of companies conducting activities in the field of games held in gaming centres or activities in the field of betting resulting in exceeding, respectively, 10%, 20%, 30%, 40%, 50%, 60%, 70%, 80% and 90% of the total number of votes at the general meeting or share in the share capital requires notification to the Regulator within seven days from the date of registration of such changes in the National Court Register.

Similarly, any change in the composition of the management board, supervisory board or auditing committee of companies conducting gaming activities in gaming centres or activities in the field of betting, with the exception of single-person companies of the State Treasury, requires notification to the Regulator within seven days from the date of registration of such changes in the National Court Register.

The companies are also obliged to inform the authority which granted it a licence about the making of changes other than those outlined above concerning the company, within seven days from the date of registration of such changes in the National Court Register, and submit documents confirming their making.

10.2 Change of Corporate Control Triggers

Please see **10.1 Disclosure Requirements**.

10.3 Passive Investors Requirements

Any individual shareholders of a gambling company, representing at least 10% of the share capital, and members of the management board, supervisory board or audit committee, or proxies, or ultimate beneficial owners within the meaning of the AML Act of such a company should have an impeccable reputation; in particular, they must not be convicted of an intentional crime or an intentional fiscal crime in the territory of a member state of the EU.

Shareholders may be obliged, at the request of the authority granting the licence or permit, to present a current certificate that they have not been convicted of an intentional crime or an intentional fiscal crime in the territory of a member state of the EU.

11. Enforcement

11.1 Powers

The Regulator can impose the administrative and fiscal criminal sanctions listed in **3.5 Key Offences** and **3.6 Penalties for Unlawful Gambling**. In addition, the Regulator adds, almost on a daily basis, new domain names to the blacklist – see the Register described in **6.6 Technical Measures**.

11.2 Sanctions

To date, apart from blacklisting the domain names, enforcement has been focused on prosecuting players – Polish residents using offshore services and local operators organising land-based gambling games without a valid Polish licence (mostly unlicensed gaming machines arcades). From time-to-time, local affiliates or persons involved in the advertisement or promotion of unlicensed gambling have also been

prosecuted. In many cases, prosecuted persons plead guilty to avoid severe consequences.

Those enforcement actions, and especially IP and payment blocking related to the blacklisted domain names register, have resulted in a considerable reduction of the grey and black market in Poland.

11.3 Financial Penalties

For information about the maximum financial penalties (administration and fiscal criminal fines) please see **3.6 Penalties for Unlawful Gambling**.

11.4 Personal Sanctions

For information about personal sanctions, see **3.6 Penalties for Unlawful Gambling** (ie, maximum imprisonment up to three years).

12. Tax

12.1 Tax Rate by Sector

The tax base for gaming tax is:

- in a cash lottery, a raffle lottery and a tele bingo game – the sum of the proceeds obtained from the sale of tickets or other evidence of participation in the game;
- in an audiotele lottery – the income, within the meaning of the provisions on corporate income tax, of the organiser of the audiotele lottery obtained from the lottery;
- in a numbers game – the sum of the stakes paid;
- in betting – the sum of the stakes paid;
- in cash bingo – the nominal value of the playing cards purchased by the entity arranging the game;
- in raffle bingo – the nominal value of the playing cards used for the game;

- in cylinder games, dice games and card games, except poker played in the form of a poker tournament – the amount representing the difference between the sum of the stakes paid and the sum of the winnings paid;
- in poker played in the form of a poker game tournament – the amount of winnings less the amount of the entry fee for participation in the tournament; and
- in a gaming machine game – the amount representing the difference between the sum of the stakes paid and the sum of the winnings obtained by the participants of the games.

The rate of game tax is for:

- raffle lottery and raffle bingo game – 10%;
- cash lottery – 15%;
- number game – 20%;
- cash bingo game, tele bingo game, audio-tele lottery and poker played in the form of a poker game tournament – 25%;
- gaming machine game, cylinder game, dice game, card game, excluding poker played in the form of a poker game tournament – 50%;
- betting on sports competition with animals on the basis of permits granted exclusively for their arrangement – 2.5%; and
- betting other than the above – 12%.

13. Anticipated Reform

13.1 Anticipated Reform

See **4.3 Recent or Forthcoming Changes**.

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