

SPORTS BETTING LATIN AMERICA REGULATORY UPDATE

Regulatory changes are transforming Latin America's sports betting sector, with landmark legislation ending monopolies, advancing online gambling frameworks, and introducing new tax regimes across multiple jurisdictions. While land-based betting remains limited, rapid online market growth and heightened government oversight signal a pivotal period for the industry.



Concerns over underage gambling have in turn led to moves to impose a new national online gambling policy. The proposed legislation, if approved by the Senate, would ban advertising, promotion, and sponsorship of online gambling across all media platforms, including social media and sporting events. It would also prohibit welcome bonuses, mandate biometric verification for user identity and age confirmation, and impose several other restrictive measures on online gaming operators. The bill has become stalled in committee stage and in August the senate postponed the debate on the bill until next year.



ARGENTINA

Online gambling has been legalised in nearly all provinces, with around 250 licenses issued in Argentina to date. However, there are growing concerns regarding the industry due to the alarming rise in underage gambling.

The problem has become so serious that the Buenos Aires city government has blocked gambling sites on the internet network of public schools. Fears over gambling related harm have also led to changes to the way online platforms are licensed. In July 2024 the City of Buenos closed the registration for new licenses for betting operators and suspended all agreements with potential operators. No new operators can be added. Moves are also afoot in a number of provinces to either restrict online gambling or ban it altogether. This includes the provinces of Buenos Aires, Córdoba and Mendoza.

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The bill has an uncertain future. After the House of Deputies initially approved the bill in November 2024, it was revealed that President Javier Milei planned to issue an emergency decree to block it and would veto it if it passes the Senate anyway. According to reports in local press, Milei's government has been working on a new, less restrictive bill focused on preventing gambling addiction, which primarily aims to prohibit advertising for unlicensed platforms and protect minors, without imposing significant advertising restrictions.

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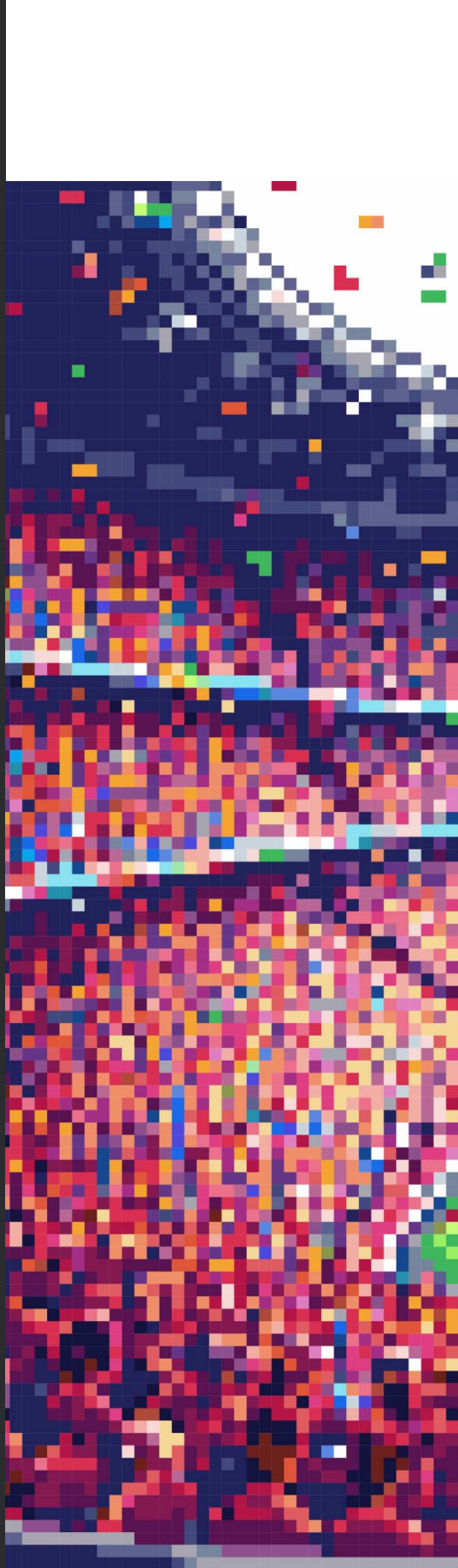
BRAZIL

Much of the regulatory focus until recently has been on the Parliamentary Inquiry Commission (CPI) on betting formed at the end of last year to investigate the impact of online gambling on Brazilian families' finances, potential connections to money laundering by criminal organisations, and the role of digital influencers in promoting betting. Ultimately the CPI ended in failure after its members rejected the final report in June. This was the first time in the last ten years that a Senate CPI had its report rejected.

Online betting was legalised in Brazil under Law 13.756/2018, which mandated that regulations be established within two years, with the possibility of extensions. However, the previous government took no action on this front due to strong pressures from evangelical lawmakers associated with Jair Bolsonaro, who avoided the issue. This delay has led to significant hurdles in effectively regulating online gambling throughout the country.

In addition, there is a growing sense that the Secretary of Prizes and Betting (SPA) established in 2024 is playing catch up. This new organisation has issued more than ten ordinances to ensure the sector's regulated operation. However, there are concerns about whether these ordinances sufficiently address issues such as player protection and advertising regulations.

In May, Carlos Baigorri, the president of the National Telecommunications Agency (Anatel) highlighted that the regulatory framework for betting in the country is still in its early development and needs stronger institutional backing. Although recent legislation represents a significant advancement for the industry, Baigorri said that the absence





a dedicated regulatory agency creates serious challenges for effective oversight. He argued that due to the fragile regulatory framework, decisions are frequently made through quickly drafted ordinances to address irregularities. When illegal activities are discovered, enforcement responsibilities rest with Anatel.

Now the government is looking to raise taxes in order to boost revenue and help meet the government's zero-deficit target for 2025. The reason for increased taxes stems from a failed executive decree raising Brazil's financial transactions tax (IOF) for a range of operations in order to plug the budget gap. The announcement triggered immediate backlash, prompting the government to walk back the tax increase amid criticism that it was effectively introducing capital controls. President Lula's approval rating is already at an all-time low. In order to find another source of income rather than cutting government spending the Executive Power has forwarded MP 1.303/2025 as a means to compensate for the revocation of the IOF decree. The MP increases the tax on betting operators amongst a raft of other financial measures.

However, the National Association of Games and Lotteries (ANJL) has warned that the country could lose more than R\$2.8bn if the tax on the sector is increased from 12 to 18 per cent permanently. According to estimates from the ANJL, the biggest impact would be on concession fees, with projected losses of R\$2.4bn, as many operators would choose not to enter the Brazilian market. This would be complemented by a reduction of R\$400m due to deposits in federal public securities that companies would need to make as part of the legalisation process. In addition, it will in all likelihood provide a boost to the illegal market which is already thriving. In June a study financed by the Brazilian Institute of Responsible Gaming (IBJR) revealed that three out of four Brazilians who bet online in 2025 used illegal platforms.

Meanwhile a number of states are forging ahead with their own rules over how sports betting is regulated. Each of the 26 states and the federal district are permitted to establish their own lotteries under federal regulations. Sports betting is classified as "sports lotteries" under Law No. 13,756, enacted by President Michel Temer in 2018. We are likely therefore to see a roll out of online and physical sports betting points via state lotteries. In addition sports betting in retail locations will expand further via state owned financial institution Caixa. In August the SPA authorized Caixa Loterias SA to jointly operate the BetCaixa, MegaBet and Xbet Caixa brands in the sports and online gaming segments both in physical and virtual formats until the end of 2029.

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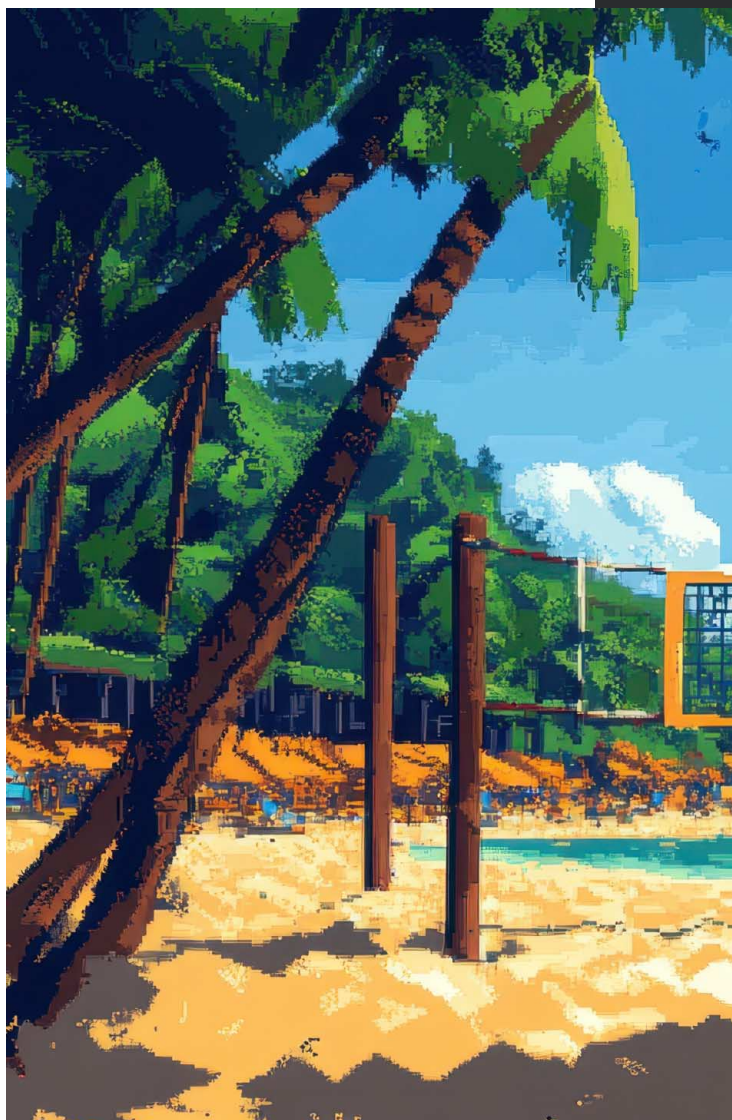
CHILE

Chile has been grappling with the issue of online gambling for several years including online sports betting. Online gambling reform was finally put forward by the previous administration in March, 2022. However, it has been a long and difficult road to regulation and it wasn't until January 2023 that the Undersecretary of Finance announced that the Executive Branch would finally push forward with new rules. In April 2024 the Senate Economics Committee finally approved in general the online gambling bill but there was no more word again on the bill until June 2025. In June during a session of the Senate Finance Committee, Undersecretary of Finance, Heidi Berner, presented an updated version of the bill.

The project aims to enhance the role of existing institutions, specifically the Superintendence of Casino Games, by granting it new powers and refining its current responsibilities, thereby transforming it into the "Superintendence of Casinos, Betting, and Games of Chance."

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In the drafting of its new law the government has taken great pains to ensure that state-owned gaming and lottery operator Polla Chilena de Beneficencia (Polla) will get a head start. The government-owned corporation will have a legal license that will allow it to immediately start operating sports betting activities without the need for further administrative approvals once the bill is passed.



The tax rate will stand at 20 per cent on the gross income of online gambling platforms plus a yearly fee. All licensed operators (foreign and domestic) will be subject to income tax and VAT as well. Along with this, operators will need to pay a one per cent contribution to responsible gambling. This can be offset by expenses if actions are taken towards this goal.

Those companies which have been present in the market will be subject to a "cooling off" period. They will have to pay a single and substitute tax with two components: 31 per cent of gross income (recognising untaxed income) plus a fee per user account recognising market capture.

In August the Senate Finance Committee unanimously approved the bill. However there is still a long way to go. The bill now must be put to a vote in the Senate Chamber. If approved in this instance, a period will be opened for presenting amendments, followed by particular processing in the Economy and Finance committees.



During the time the bill has been on the table the need for regulation has become increasingly clear. In September 2023 Polla delivered a list to telecom regulator Subtel of as many as 1,200 online betting sites that they wanted to see blocked. In the same month Chile's highest court accepted an appeal from Polla and ordered the blocking of online betting platforms. Chile's National Professional Football Association (ANFP) was ordered to cut ties with sports betting operators after the ruling – a decision that was welcomed by the Chilean Gaming Board (SCI).

However, sports betting continues to cause controversy. Arturo Vidal, regarded as one of the greatest Chilean players of all time and current player for Chilean club Colo-Colo, has launched his own online casino and betting house under his brand called "Juega con el King."

Cecilia Valdés, the president of the Chilean Association of Casinos and Games, expressed concerns regarding the

potentially harmful influence that players might have in promoting unregulated activities in Chile. "Here we see that a player has a platform where he can be sponsored, where people can bet on him. Obviously, there are no grey lines or anything like that," she stated in an interview with *biobiochile.cl*. "In this case, there are no lines or limits regarding what is a bet and how a player can, obviously, be corrupting his own sport," she said.

Valdés's concerns were echoed by former prosecutor Carlos Gajardo, who highlighted the absence of a regulatory framework. "It certainly raises eyebrows that the project (the legislation regulating online gambling) has been stalled for so long, years in Congress, in a status quo situation that is obviously very beneficial for online betting houses. Because in the current scenario, they are ideal. They are not criminally pursued, they do not pay taxes, and they can advertise," he said.

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COLOMBIA

Colombia is frequently cited as a commendable example of the advantages of a properly regulated industry, and for good reason. The government has made significant progress in its initiatives to tackle illegal gambling, which is particularly important given the presence of numerous influential and organised crime groups in the country. Colombia was the first to regulate online gambling in Latin America having passed legislation in 2016 and online regulation has yielded millions for Colombia's health services. However, industry associations have warned that a number of new taxes are posing a threat to the industry.

In February 2025 Colombia's Minister of Finance, Diego Guevara, announced that, based on the state of emergency decree due to the security crisis in Catatumbo, a 19 per cent VAT will be implemented on online gambling until December 31, 2025, with the aim of financing expenses related to the state of internal commotion. The decree gives the president emergency powers to restore order in a region that has been impacted by an outbreak of deadly violence between rival

armed groups. The State of Internal Unrest ended in Colombia on April 24 but the increased taxes will remain in place until the end of the year.

In April Evert Montero, president of the Colombian Federation of Entrepreneurs in Chance and Gambling (Fecoljuegos), told local media outlet Portafolio that following the implementation of the VAT on online gambling the sector has experienced a 30 per cent decrease in gross gambling revenue, indicating a fall in deposits and a shift in user behaviour. In addition, more taxes look likely. In June the government received authorisation from the National Council for Fiscal Policy (CONFIS) to suspend the fiscal rule for three years, a move that will allow it to increase borrowing. Colombia's government proposed a 557 trillion peso budget for 2026, an increase from the current year, as the country confronts deteriorating public finances and a wider fiscal deficit. As part of the new budget there are plans to increase taxes on gambling although what form these taxes will take has yet to be announced.



In addition, Colombian football has been overshadowed by a match fixing scandal involving one of its top clubs Envigado Fútbol Club which has reported attempts to bribe players in order to manipulate the outcomes of matches in the local league. Envigado's president, Ramón Ruiz, confirmed the ongoing internal investigation and stated that multiple players had come forward with claims of receiving calls and insinuations regarding match-fixing not only in recent matches but extending over a year. This is not the first time that the club has been involved in a scandal. In 2014, the United States imposed sanctions on the club because its owner permitted a crime gang to use the club's balance sheet to conceal profits from drug trafficking, extortion, and murder-for-hire. These sanctions were lifted in 2018.

However, one positive development has been the approval in Congress of the bill that recognises eSports as a discipline meaning operators will be able to expand the betting offer related to sporting events.

As of July 1st 2024, Ecuador implemented a flat income tax for sports betting operators. The tax applies a 15 per cent rate to the revenues of operators, both residents and non-residents in Ecuador. SRI issued a resolution establishing deadlines and procedures for declaration, rules for issuing sales and withholding receipts, and requirements for registration in the Unique Taxpayers Registry.

ECUADOR

In April 2025, defying predictions and expectations, incumbent Daniel Noboa won Ecuador's presidential election with a clear lead. Noboa has demonstrated a pro-gambling agenda. During his first term he offered to call a popular consultation in 2024 to usher in the return of casinos, slot halls and sports betting. Ecuador banned all types of gambling after a referendum was held under the administration of left wing populist Rafael Correa in 2010.

While online gambling has existed in an unclear regulatory framework Noboa in October 2024 authorised the advertising of sports betting on media networks through Executive Decree 421. According to the Internal Revenue Service (SRI) in Ecuador in August last year there were currently 65 companies registered to offer sports betting in the country. However, the total number of registered operators is likely to expand significantly as Ecuador strengthens its regulations and facilitates entry to the market.

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In January 2025 the government modified the regulations for the application of the unique income tax. The main change is that operators who are not residents in the country are no longer required to be registered with the Unique Taxpayer Registry from the SRI. The reforms were issued by the President in Executive Decree 487. According to the new rules both resident and non-resident operators must obtain a license issued by the Ministry of Sports to operate in the country with licences costing around US\$307,000 for this year.

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PARAGUAY

In May Paraguay issued the decree that outlines the regulations for its new gambling law. This comes after President Santiago Peña enacted Law 7483, which revises the legal framework for gambling operations in January. A major shift will see Conajzar transition to the National Directorate of Tax Revenues (DNIT), granting the agency enhanced oversight including powers to tackle irregularities in the gambling sector and address illegal gambling activities.

Another key feature of the decree is the establishment of the General Directorate of Gambling, which will serve as a technical body tasked with implementing and enforcing policies, regulations, and controls for the operation of regulated gambling activities.

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The president of Conajzar, Carlos Liseras, explained to local press that the legislation will "substantially improve" the fight against illegal gambling. However, the license Daruma SAM holds until 2028 is the main "headache" for the institution, since the law was created to open up competition.



In July 2025 the Plenary of Congress approved Bill No. 9645/2024-CR, which amends Law No. 31557 on remote gaming and sports betting. This will lead to an expansion of online betting via land based retail locations as individuals with businesses and legal entities can now offer digital sports betting services to consumers. The amendment was introduced following increasing pressure from associations of local shop owners who have been advocating for changes to the law to support the economic recovery of their businesses.

PERU

Unlike other jurisdictions in Latin America Peru has a well-developed retail sports betting sector and this is likely to expand. The number of gaming and betting venues in the country now exceeds 4,500. In Peru many of the leading operators such as Apuesta Total and DoradoBet offer both retail and online betting. Apuesta Total is the main sponsor of a number of top Peruvian football clubs as well as the Peruvian Volleyball League and Women's Football League. In June it became Liverpool FC's official regional partner in Latin America through 2028. Meanwhile Inkabet which has been present in the market for several years and was acquired by Betsson (itself present in the Peruvian market since 2008) is one of the market leaders online.

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When it comes to taxation of online operators, this currently stands at 12 per cent GGR. Additionally, Peruvian residents pay a one per cent excise tax on each bet they place. To ease their transition to the new structure, the government temporarily reduced this rate to 0.3 per cent, applicable only until July 2025. However the tax has proved to be highly contentious. The overall amount wagered, which includes bets made using bonuses, is taxable irrespective of whether the operator holds a license. This taxation has emerged as a risk for licensed operators in Peru. While international betting platforms can shift the tax burden to their customers, domestic companies are forced to absorb these costs, resulting in reduced profit margins. A number of sports betting operators have initiated legal proceedings and have managed to obtain a suspension.

Law No. 31,557, which regulates remote gaming and online sports betting came into effect in February 2024, following a two-year consultation period. Thanks to regulatory measures, MINCETUR (the Ministry of Foreign Trade and Tourism) has also been granted the authority to block unauthorised websites and sanction payment services associated with illegal operators. As a result, the presence of unlicensed platforms in the Peruvian digital space has already decreased by an estimated 40 per cent.

