



Indiana Department of Revenue

Indiana Government Center • 100 N. Senate Ave. Indianapolis, IN 46204 • dor.in.gov

Departmental Notice #16

Subject: Requirements on Withholding Individual Income Tax on Winnings from Riverboat Gaming

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Effective Date: Upon Publication

Reference(s): IC 6-3-4-8.2

Replaces Notice #16, dated January 2024

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Summary of Changes

Other than technical, nonsubstantive changes, this bulletin has been updated to reflect a safe harbor for withholdings on slot machine winnings and keno winnings for 2026.

Introduction

Facilities licensed to conduct a gambling operation under IC 4-33-2-10 or IC 4-35-2-5 are required to withhold Indiana individual adjusted gross income tax on winnings from slot machines and keno games. Except as provided below, winnings from a slot machine play (not reduced by the wager) valued at one thousand two hundred dollars (\$1,200) or more and winnings from a keno game (reduced by the wager) valued at one thousand five hundred dollars (\$1,500) or more shall be subject to withholding by the facility. The facility shall withhold tax at the rate specified for each year as follows:

2023	3.15%
2024	3.05%
2025	3.00%
2026	2.95%
2027 and later	2.90%

For winnings occurring on or after January 1, 2026, winnings from a slot machine play (not reduced by the wager) valued at two thousand dollars (\$2,000) or more and winnings from a keno game (reduced by the wager) valued at two thousand dollars (\$2,000) or more shall be subject to withholding by the facility at the 2.95% rate otherwise required. The allowance to use the \$2,000 threshold for withholding shall be effective until the earlier of:

- a date on or after January 1, 2026, that IC 6-3-4-8.2 is amended to reflect revised Indiana withholding thresholds or for any other reason; or
- April 1, 2026.

The amount of tax withheld shall be paid monthly to the department on the twenty-fourth calendar day of each month. Any taxes collected during the month but not paid to the department are required to be paid to the department at the same time the following month's taxes are due. The payment shall be made by electronic fund transfer as defined in IC 4-8.1-2-7. The licensed facility shall file a daily and monthly report to reconcile the amount of withholding taxes paid to the department. The daily and monthly reports shall be filed as a part of the same form for reporting the admissions and wagering taxes paid under IC 4-33-12, IC 4-33-13, and IC 4-35-2-5.

Slot machine and keno game winnings from a gambling operation that are reportable for federal income tax purposes shall be treated as subject to withholding under IC 6-3-4-8.2, even if federal tax withholding is not required.

An annual recap shall be filed by the licensed facility listing the name, address, Social Security number, the amount of winnings, and the amount of Indiana adjusted gross income tax withheld. The annual recap is due to the department by January 31 of the year following the year of the withholding.

If you have any questions concerning this notice, please contact the Tax Policy Division at taxpolicy@dor.in.gov.



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