



BACKUP WITHHOLDING FROM GAMBLING WINNINGS

This publication provides general information regarding withholding requirements for gambling winnings. It is not a substitute for tax laws or regulations.

GENERAL INFORMATION

- West Virginia requires backup withholding on gambling winnings whenever federal backup withholding is required.

REPORTABLE WINNINGS

- Gambling winnings in the amounts shown on the table below must be reported to the IRS on Form W-2G, Certain Gambling Winnings, which must be completed by the gambling operator before the prize is awarded. For the operator to complete the W-2G form, the prize winner must provide a **name, address and social security number or taxpayer identification number (TIN)**. In addition, the prize winner **must** provide verification of this information in the form of a driver's license, social security card, voter registration card or other proper identification.
- If the winner does not provide proper verification, the payor is required to issue the W-2G form without the social security number and withhold the tax before awarding the prize. If the prize winner provides the necessary information and proper verification for issuance of the W-2G form, backup withholding is not required.
- Backup withholding applies to **all** gambling winnings if:
 - The winner of reportable winnings does not furnish his or her name, address and social security number AND proper verification of that information; and,
 - Regular withholding has not been applied; and,
 - The winnings are:
 - at least \$600 and at least 300 times the wager, or
 - at least \$1,200 from bingo or slot machines, or
 - \$1,500 from Keno, or
 - more than \$5,000 from a poker tournament.

The following table summarizes the rules for income tax withholding on gambling winnings. To calculate winnings, prize amounts are reduced by the amount of the wager. Non-cash prizes, such as automobiles, are subject to withholding are calculated on the basis of the fair market value of the prize. If the winner pays the withholding, the 24% federal withholding rate applies. If the payor pays the withholding, a special federal withholding rate of 31.58% applies. Prizes awarded by the West Virginia Lottery Commission are considered West Virginia sourced income, including prizes won by nonresidents, and West Virginia withholding will be applied in accordance with the following table.

TYPE OF GAMING	REGULAR WITHHOLDING AT 24% (FEDERAL) and 6.5% (WV) IF WINNINGS ARE:	BACKUP WITHHOLDING AT 24% (FEDERAL) AND 6.5% (WV) IF WINNER DOES NOT PROVIDE TIN AND WINNINGS ARE:
Bingo	Not applicable	\$1,200 or more
Slot machines	Not applicable	\$1,200 or more
Keno	Not applicable	\$1,500 or more
Lotteries and raffles	Greater than \$5,000	\$600 to \$5,000
Other wagers	Greater than \$5,000	\$600 to \$5,000
Sports wagers	Greater than \$5,000	\$600 to \$5,000
Poker tournaments	Not applicable if winnings are reported on Form W-2G	Greater than \$5,000

**RATE OF
WITHHOLDING**

- The West Virginia backup withholding rate is 6.5 percent.
 - The federal regular withholding and backup withholding rate is 24% for years beginning after December 31, 2017.
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**ASSISTANCE AND
ADDITIONAL
INFORMATION**

- For assistance or additional information, you may call a Taxpayer Service Representative at:

**1-800-WVA-TAXS
(1-800-982-8297)**

Or visit our website at:

www.tax.wv.gov

File and pay taxes online at:

<https://mytaxes.wvtax.gov>

Email questions to:

taxhelp@wv.gov