

Tax Withholding

Written by l2badmin
Wednesday, 21 December 2011 18:40 -

Reportable Gambling Winnings

You are required to report gambling winnings on a W-2G for if you meet one of the following criteria;

- 1) Winnings minus the wager are \$600 or more
- 2) Your payout is at least 300 times the amount of your wager

Gambling Withholding

You may be required to with hold 25% of gambling winnings for federal income tax if your winnings minus the wager are \$5,000 or more.

Tax Withholding

Written by l2badmin

Wednesday, 21 December 2011 18:40 -

Please note: Regular gambling withholding is figured on the total amount of gross proceeds (the amount of winnings minus the amount wagered), and not merely on the amount in excess of \$5,000.

Report the amount that you withheld in box 2 of Form W-2G. Also file Form 945, Annual Return of Withheld Federal income Tax, to report all of your gambling withholding.