



# Betting and Gaming Duties Act 1981

## 1981 CHAPTER 63

### PART I

#### BETTING DUTIES

##### *[<sup>F1</sup> General betting duty*

---

#### Textual Amendments

- F1** Cross-heading and ss. 1-5D substituted (6.10.2001 with effect as mentioned in art. 2 of the commencing S.I.) for ss. 1-5 by [2001 c. 9, s. 6, Sch. 1](#); [S.I. 2001/3089, art. 2](#)

#### <sup>F2</sup> **The duty**

A duty of excise to be known as general betting duty shall be charged in accordance with sections 2 to 5D.

---

#### Textual Amendments

- F2** Cross-heading and ss. 1-5D substituted (6.10.2001 with effect as mentioned in art. 2 of the commencing S.I.) for ss. 1-5 by [2001 c. 9, s. 6, Sch. 1](#); [S.I. 2001/3089, art. 2](#)

#### <sup>F3</sup> **Bookmakers: general bets**

- (1) General betting duty shall be charged on a bet made with a bookmaker who is in the United Kingdom.
- (2) Subsection (1) does not apply to—
  - (a) an on-course bet,
  - (b) a spread bet, <sup>F4</sup>...
  - (c) a bet made by way of pool betting<sup>F5</sup>, or

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part I. (See end of Document for details)*

<sup>F6</sup>(d)] .....

- (3) The amount of duty charged in respect of bets made with a bookmaker in an accounting period shall be 15 per cent. of the amount of his net stake receipts for that period.

#### Textual Amendments

- F3** Cross-heading and ss. 1-5D substituted (6.10.2001 with effect as mentioned in art. 2 of the commencing S.I.) for ss. 1-5 by 2001 c. 9, s. 6, **Sch. 1**; S.I. 2001/3089, **art. 2**
- F4** Word in s. 2(2) repealed (19.7.2006) by **Finance Act 2006 (c. 25)**, s. 178, **Sch. 26 Pt. 2**
- F5** S. 2(2)(d) and preceding word added (with effect as mentioned in s. 9(2) of the amending Act) "after paragraph (c)" by virtue of **Finance Act 2006 (c. 25)**, **s. 9(1)(2)**
- F6** S. 2(2)(d) omitted (with effect in accordance with Sch. 24 para. 66(2) of the amending Act) by virtue of **Finance Act 2012 (c. 14)**, **Sch. 24 para. 43**

### <sup>F7</sup>3 **Bookmakers: spread bets**

- (1) General betting duty shall be charged on a spread bet made with a bookmaker who—
- (a) is in the United Kingdom, <sup>F8</sup> . . .
  - (b) <sup>F8</sup> .....
- [<sup>F9</sup>(2) A bet is a spread bet if it constitutes a contract the making or accepting of which is a regulated activity within the meaning of section 22 of the Financial Services and Markets Act 2000.]
- (3) The amount of duty charged under subsection (1) in respect of spread bets made with a bookmaker in an accounting period shall be—
- (a) 3 per cent. of the amount of his net stake receipts in respect of financial spread bets for that period (if any), plus
  - (b) 10 per cent. of the amount of his net stake receipts in respect of other spread bets for that period (if any).
- (4) A “financial spread bet” is a spread bet the subject of which is a financial matter.
- (5) The Commissioners may by order provide that a specified matter—
- (a) shall be treated as a financial matter for the purpose of subsection (4), or
  - (b) shall not be treated as a financial matter for that purpose.

#### Textual Amendments

- F7** Cross-heading and ss. 1-5D substituted (6.10.2001 with effect as mentioned in art. 2 of the commencing S.I.) for ss. 1-5 by 2001 c. 9, s. 6, **Sch. 1**; S.I. 2001/3089, **art. 2**
- F8** S. 3(1)(b) and preceding word repealed (19.7.2007) by **Finance Act 2007 (c. 11)**, ss. 105, 114, **Sch. 25 paras. 4(2), 23, Sch. 27 Pt. 6(3)**
- F9** S. 3(2) substituted (19.7.2007) by **Finance Act 2007 (c. 11)**, s. 105, **Sch. 25 paras. 4(3), 23**

### [<sup>F10</sup>4 **Pool betting on horse and dog races**

- (1) General betting duty shall be charged on pool betting which—
- (a) relates only to horse racing or dog racing, and
  - (b) is not on-course betting.

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

- (2) But subsection (1) does not apply to pool betting if—
  - (a) the promoter is outside the United Kingdom, and
  - (b) it is conducted otherwise than by means of a totalisator situated in the United Kingdom.
- (3) The amount of duty charged under subsection (1) in respect of bets made by means of facilities provided by a person in an accounting period shall be 15 per cent. of the amount of his net stake receipts for the period.]

#### Textual Amendments

- F10** S. 4 substituted (with effect as mentioned in s. 15(10) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 15\(2\)](#)

#### <sup>F11</sup>5 Net stake receipts

- (1) For the purposes of a charge under a provision of sections 2 to 4 in respect of the class of bets to which the provision applies, the amount of a person's net stake receipts for an accounting period is X minus Y, where—
  - (a) X is the aggregate of amounts which fall due to that person in the accounting period in respect of bets of that class made with him, and
  - (b) Y is the aggregate of amounts paid by the person in that period by way of winnings to persons who made bets of that class with him (irrespective of when the bets were made or determined).
- (2) Where—
  - (a) a person makes a bet other than a spread bet, and
  - (b) the sum which he will lose if unsuccessful is known when the bet is made, that sum shall be treated for the purposes of subsection (1)(a) as falling due when the bet is made (irrespective of when it is actually paid or required to be paid).
- (3) Where the amount of a person's net stake receipts is zero or a negative amount, it shall be disregarded for the purposes of sections 2 to 4 [<sup>F12</sup>except as provided for by section 5AA].
- (4) In calculating an amount due to a person in respect of a bet, no deduction shall be made in respect of—
  - (a) any other benefit secured by the person who makes the bet as a result of paying the money,
  - (b) a person's expenses, whether in paying duty or otherwise, or
  - (c) any other matter.
- (5) Where a person makes a bet in pursuance of an offer which permits him to pay nothing or less than the amount which he would have been required to pay without the offer, he shall be treated for the purposes of this section as being due to pay that amount—
  - (a) to the person with whom the bet is made, and
  - (b) at the time when the bet is made.
- (6) For the purpose of subsection (1)(b)—

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part I. (See end of Document for details)*

- (a) the reference to paying an amount to a person includes a reference to holding it in an account if the person is notified that the amount is being held for him in the account and that he is entitled to withdraw it on demand,
  - (b) the return of a stake shall be treated as a payment by way of winnings, and
  - (c) only payments of money shall be taken into account.
- (7) In the application of this section to a charge under <sup>F13</sup>section 4(1)], a reference to bets made with a person shall be treated as a reference to bets made by means of facilities provided by him.

#### Textual Amendments

- F11** Cross-heading and ss. 1-5D substituted (6.10.2001 with effect as mentioned in art. 2 of the commencing S.I.) for ss. 1-5 by 2001 c. 9, s. 6, **Sch. 1**; S.I. 2001/3089, **art. 2**
- F12** Words in s. 5(3) inserted (with application as mentioned in s. 6(6) of the amending Act) by [Finance Act 2003 \(c. 14\), s. 6\(2\)](#)
- F13** Words in s. 5(7) substituted (with effect as mentioned in s. 15(10) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 15\(3\)](#)

#### <sup>F14</sup>5AA **Relief for losses**

- (1) This section applies where the amount of a person's net stake receipts for an accounting period in respect of a class of bets (calculated in accordance with section 5(1)) is a negative amount.
- (2) That amount shall be carried forward to the following accounting period and, to the extent that it does not exceed it, deducted from the amount of the person's net stake receipts in respect of the same class of bets for that period.
- (3) If the amount of those net stake receipts for that following accounting period—
- (a) is not a positive amount, or
  - (b) is less than the amount carried forward,
- the amount carried forward or, as the case may be, the balance of it shall be treated for the purposes of this section as if it were a negative amount of net stake receipts for that period in respect of the same class of bets.]

#### Textual Amendments

- F14** S. 5AA inserted (with application as mentioned in s. 6(6) of the amending Act) by [Finance Act 2003 \(c. 14\), s. 6\(3\)](#)

#### <sup>F15</sup>5AB **Betting exchanges**

- (1) This section applies where—
- (a) one person makes a bet with another person using facilities provided by a third person in the course of a business, and
  - (b) that business is one that does not involve the provision of premises for use by persons making or taking bets.

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

- (2) General betting duty shall be charged on the amounts (“commission charges”) that the parties to the bet are charged, whether by deduction from winnings or otherwise, for using those facilities.
- (3) No deductions shall be allowed from commission charges.
- (4) The amount of duty charged under this section in respect of bets determined in an accounting period shall be 15 per cent of the commission charges relating to those bets.
- (5) For the purposes of this section, and section 5B(4) so far as relating to this section, a person who arranges for facilities relating to a bet to be provided by another person shall be treated as providing them himself (and the other person shall not).]

**Textual Amendments**

**F15** S. 5AB inserted (with application as mentioned in s. 7(5)(6) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), s. 7(2)

**5A** .....

**F16** .....

**Textual Amendments**

**F16** S. 5A repealed (with application as mentioned in s. 6(6) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), ss. 6(4), 216, [Sch. 43 Pt. 1\(1\)](#)

**<sup>F17</sup>5B Liability to pay**

- [<sup>F18</sup>(1) All general betting duty chargeable in respect of—
- (a) bets made in an accounting period, or
  - (b) in the case of duty chargeable under section 5AB, bets determined in an accounting period,
- shall become due at the end of that period.]
- (2) In the case of bets made with a bookmaker in an accounting period the general betting duty shall be paid—
    - (a) when it becomes due, and
    - (b) by the bookmaker.
  - (3) But general betting duty which is due to be paid by a bookmaker in respect of bets may be recovered from the following persons as if they and the bookmaker were jointly and severally liable to pay the duty—
    - (a) the holder of a [<sup>F19</sup>general betting operating licence (in Great Britain), or a bookmaker's permit (in Northern Ireland),] for the business in the course of which the bets were made;
    - (b) a person responsible for the management of that business;
    - (c) where the bookmaker is a company, a director.

Status: Point in time view as at 17/07/2012.

Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part I. (See end of Document for details)

- (4) In the case of bets made in an accounting period by means of facilities provided by a person as described in [F20section 4(1)][F21or 5AB] the general betting duty shall be paid—
  - (a) when it becomes due, and
  - (b) by the person who provides the facilities.
- (5) This section is without prejudice to paragraph 2 of Schedule 1 to this Act or regulations made under it.

**Textual Amendments**

**F17** Cross-heading and ss. 1-5D substituted (6.10.2001 with effect as mentioned in art. 2 of the commencing S.I.) for ss. 1-5 by 2001 c. 9, s. 6, **Sch. 1**; S.I. 2001/3089, **art. 2**

**F18** S. 5B(1) substituted (with application as mentioned in s. 7(5)(6) of the amending Act) by **Finance Act 2003 (c. 14), s. 7(3)(a)**

**F19** Words in s. 5(3)(a) substituted (1.9.2007) by **Finance Act 2007 (c. 11), s. 105, Sch. 25 paras. 5, 23; S.I. 2007/2532, art. 2**

**F20** Words in s. 5B(4) substituted (with effect as mentioned in s. 15(10) of the amending Act) by **Finance Act 2004 (c. 12), s. 15(3)**

**F21** Words in s. 5B(4) inserted (with application as mentioned in s. 7(5)(6) of the amending Act) by **Finance Act 2003 (c. 14), s. 7(3)(b)**

**F22 5C Bet-brokers**

- (1) This section applies where—
  - (a) one person (the “bettor”) makes a bet with another person (the “bet-taker”) using facilities provided in the course of a business[F23, other than a betting-exchange business,] by a third person (the “bet-broker”), or
  - (b) one person (the “bet-broker”) in the course of a business makes a bet with another person (the “bet-taker”) as the agent of a third person (the “bettor”) (whether the bettor is a disclosed principal or an undisclosed principal).

[F24In paragraph (a) “betting-exchange business” means a business such as is mentioned in section 5AB(1).]

F25(2) .....

F25(3) .....

- (4) F25... , for the purposes of sections 2 to 5B—
  - (a) the bet shall be treated as if it were made separately by the bettor with the bet-broker and by the bet-broker with the bet-taker,
  - (b) the bet-broker shall be treated as a bookmaker in respect of the bet,
  - (c) the aggregate of amounts due to be paid by the bettor in respect of the bet shall be treated as being due separately to the bet-broker and to the bet-taker (and any amount due to be paid by the bet-broker to the bet-taker shall be disregarded), and
  - (d) a sum paid by the bet-taker by way of winnings in respect of the bet shall be treated as having been paid separately by the bet-taker and by the bet-broker at that time and for that purpose (and any sum paid by the bet-broker shall be disregarded).

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

- (5) This section does not apply—
- (a) to bets made by way of pool betting, <sup>F26</sup> . . .
  - (b) <sup>F26</sup> . . . . .
- (6) Where there is any doubt as to which of two persons is the bettor and which the bet-taker for the purposes of subsection (1)(a), whichever of the two was the first to use the facilities of the bet-broker to offer the bet shall be treated as the bet-taker.

**Textual Amendments**

- F22** Cross-heading and ss. 1-5D substituted (6.10.2001 with effect as mentioned in art. 2 of the commencing S.I.) for ss. 1-5 by 2001 c. 9, s. 6, **Sch. 1**; S.I. 2001/3089, **art. 2**
- F23** Words in s. 5C(1)(a) inserted (with application as mentioned in s. 7(5)(6) of the amending Act) by **Finance Act 2003 (c. 14), s. 7(4)(a)**
- F24** Words in s. 5(3) inserted (with application as mentioned in s. 7(5)(6) of the amending Act) by **Finance Act 2003 (c. 14), s. 7(4)(b)**
- F25** S. 5C(2)(3) repealed (with application as mentioned in s. 7(5)(6) of the amending Act) by **Finance Act 2003 (c. 14), ss. 7(4)(c), 216, Sch. 43 Pt. 1(1)**
- F26** S. 5C(5)(b) and preceding word repealed (19.7.2007) by **Finance Act 2007 (c. 11), ss. 105, 114, Sch. 25 paras. 6, 23, Sch. 27 Pt. 6(3)**

<sup>F27</sup>**5D Accounting period**

- (1) For the purposes of sections 2 to 5C—
- (a) each calendar month is an accounting period, but
  - (b) the Commissioners may provide in regulations under paragraph 2 of Schedule 1 to this Act for some other specified period to be an accounting period.
- (2) Regulations made by virtue of subsection (1)(b) may—
- (a) make provision which applies generally or only in relation to a specified person or class of person;
  - (b) make different provision for different purposes;
  - (c) make transitional provision.]

**Textual Amendments**

- F27** Cross-heading and ss. 1-5D substituted (6.10.2001 with effect as mentioned in art. 2 of the commencing S.I.) for ss. 1-5 by 2001 c. 9, s. 6, **Sch. 1**; S.I. 2001/3089, **art. 2**

[<sup>F28</sup>**5E Double taxation relief**

- (1) This section applies if a person (“P”) is liable to pay a qualifying foreign tax in respect of bets in respect of which P is also liable to pay general betting duty under a provision of sections 2 to 4 or section 5AB (“the relevant provision”).
- (2) Bets in respect of which P is liable to pay both general betting duty under the relevant provision and the qualifying foreign tax are referred to as “eligible bets”.
- (3) Credit may be allowed for all or part of the qualifying foreign tax paid by P.

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

- (4) Whether any credit is allowed is determined in accordance with Schedule A1.
- (5) If credit is allowed for an accounting period, P is entitled to claim a repayment of so much of the duty actually paid as is equal to the amount of credit allowed.
- (6) Total repayments to P for that accounting period in respect of bets of the applicable class (taking into account all qualifying foreign taxes) must not, in aggregate, exceed the duty actually paid.
- (7) “The applicable class” means the class of bets to which the relevant provision applies.
- (8) “The duty actually paid” means the general betting duty paid by P for that accounting period in respect of bets of the applicable class.
- (9) A bet does not count as an “eligible bet” if it was made by or on behalf of P.]

#### Textual Amendments

**F28** S. 5E inserted (with effect in accordance with Sch. 25 para. 12 of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 25 para. 2](#)

*[<sup>F29</sup>Pool betting duty]*

#### Textual Amendments

**F29** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 12](#), [Sch. 4 Pt. 1 para. 2](#)

### <sup>F306</sup> The duty

A duty of excise to be known as pool betting duty shall be charged in accordance with sections 7 to 8C.

#### Textual Amendments

**F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 12](#), [Sch. 4 Pt. 1 para. 2](#)

## 7 Duty charged on net pool betting receipts

- (1) If the amount of a person’s net pool betting receipts for an accounting period is greater than zero, pool betting duty is charged on those receipts.
- (2) The amount of that duty is 15 per cent of the amount of the receipts.



*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

### Textual Amendments

- F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 12](#), [Sch. 4 Pt. 1 para. 2](#)

### <sup>F31</sup>7ZA Relief for losses

- (1) This section applies where the amount of a person's net pool betting receipts for an accounting period is a negative amount.
- (2) That amount shall be carried forward to the following accounting period and, to the extent that it does not exceed it, deducted from the amount of the person's net pool betting receipts for that period.
- (3) If the amount of the net pool betting receipts for that following accounting period—
- is not a positive amount, or
  - is less than the amount carried forward,
- the amount carried forward or, as the case may be, the balance of it shall be treated for the purposes of this section as if it were a negative amount of net pool betting receipts for that period.]

### Textual Amendments

- F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 12](#), [Sch. 4 Pt. 1 para. 2](#)
- F31** S. 7ZA inserted (with application as mentioned in [s. 6\(6\)](#) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [s. 6\(5\)](#)

## 7A Calculating net pool betting receipts

For the purposes of section 7, the amount of a person's net pool betting receipts for an accounting period is—

$$S+E-W$$

where—

S is the aggregate of amounts falling due to the person in the accounting period in respect of dutiable pool bets,

E is the aggregate of expenses and profits falling within section 7E(2) that are attributable to the accounting period, and

W is the aggregate of amounts paid by the person in the accounting period by way of winnings on dutiable pool bets (irrespective of when the bets were made or determined).

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

### Textual Amendments

- F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in s. 12(3) of the amending Act) by Finance Act 2002 (c. 23), s. 12, Sch. 4 Pt. 1 para. 2

## 7B Net pool betting receipts: meaning of “dutable pool bet”

- (1) For the purposes of a calculation under section 7A of the amount of a person’s net pool betting receipts for any accounting period, a bet (wherever made) is a “dutable pool bet” if—
  - (a) the bet is made by way of pool betting, and
  - (b) the following conditions are satisfied.
- (2) The first condition is that—
  - (a) the bet is made by means of a totalisator situated in the United Kingdom and that person is the operator, or
  - (b) <sup>F32</sup> . . . that person is the promoter and is in the United Kingdom.
- (3) The second condition is that the bet is not—
  - <sup>F33</sup>(a) made wholly in relation to horse racing or dog racing,]
  - (c) made for community benefit.
- (4) The third condition is that if the bet was made before 31st March 2002, at least one event to which it relates takes place on or after that date.

### Textual Amendments

- F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in s. 12(3) of the amending Act) by Finance Act 2002 (c. 23), s. 12, Sch. 4 Pt. 1 para. 2
- F32** Words in s. 7B(2)(b) repealed (with effect as mentioned in s. 15(10) of the amending Act) by Finance Act 2004, ss. 15(4)(a), 326, {Sch. 42 Pt. 1(2)}
- F33** S. 7B(3)(a) substituted (with effect as mentioned in s. 15(10) of the amending Act) for s. 7B(3)(a)(b) by Finance Act 2004, {s. 15(4)(b)}

## 7C Net pool betting receipts: calculating stake money

- (1) This section applies for the purpose of calculating S in a calculation under section 7A.
- (2) Any payment that entitles a person to make a bet shall, if he makes the bet, be treated as stake money on the bet.
- (3) All payments made—
  - (a) for or on account of or in connection with bets that are dutable pool bets for the purposes of the calculation,
  - (b) in addition to the stake money, and
  - (c) by the persons making the bets,
 shall be treated as amounts due in respect of the bets except in so far as the contrary is proved by the person whose net pool betting receipts are being calculated.

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

### Textual Amendments

**F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in s. 12(3) of the amending Act) by Finance Act 2002 (c. 23), s. 12, Sch. 4 Pt. 1 para. 2

## 7D Net pool betting receipts: when stakes etc fall due

- (1) Subsections (2) to (5) apply for the purpose of calculating S in a calculation under section 7A but have effect subject to any regulations under subsection (6).
- (2) Where—
  - (a) a person makes a bet, and
  - (b) the bet relates to a single event, or to two or more events all taking place on the same day,any sum due to a person in respect of the bet shall be treated as falling due on the day on which the event or events take place.
- (3) Where—
  - (a) a person makes a bet, and
  - (b) subsection (2) does not apply,any sum due to a person in respect of the bet shall (subject to subsection (5)) be treated as falling due when the bet is made.
- (4) Subsections (2) and (3) have effect in relation to a sum irrespective of when it is actually paid or required to be paid (even where a sum that those subsections require to be treated as falling due on or after 31st March 2002 was actually paid, or required to be paid, before that date).
- (5) As respects a bet made before 31st March 2002 that relates to events at least one of which takes place before that date and at least one of which takes place on or after that date, any sum paid on or after that date in respect of the bet shall be treated as falling due when it is paid.
- (6) The Commissioners may by regulations make provision as to when any sum due to a person in respect of a bet is to be treated as falling due for the purpose of calculating S in a calculation under section 7A.
- (7) Provision made by regulations under subsection (6) may not provide for a sum due to a person in respect of a bet to be treated as falling due—
  - (a) earlier than when the bet is made, or
  - (b) later than when the bet is determined.
- (8) Regulations made under subsection (6) may—
  - (a) make provision that applies generally or only in relation to a specified description of bet;
  - (b) make different provision for different purposes;
  - (c) make provision relating to bets made before the regulations are made (including bets made before the passing of the Finance Act 2002);
  - (d) make transitional provision.

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

### Textual Amendments

**F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 12](#), [Sch. 4 Pt. 1 para. 2](#)

## 7E Net pool betting receipts: expenses and profits

- (1) Subsections (2) and (3) apply for the purpose of calculating E in a calculation under section 7A.
- (2) The expenses and profits falling within this subsection are (subject to subsection (3))
  - (a) those of the person whose net pool betting receipts are being calculated, and
  - (b) those of any other person concerned with or benefiting from the promotion of the betting concerned.
- (3) Expenses and profits do not fall within subsection (2) so far as they are—
  - (a) provided out of amounts due, in respect of bets that are dutiable pool bets for the purposes of the calculation, to the person whose net pool betting receipts are being calculated, or
  - (b) referable to matters other than—
    - (i) the promotion or management of the betting concerned, or
    - (ii) activities ancillary to, or connected with, such promotion or management.
- (4) The Commissioners may by regulations make provision as to the accounting period to which expenses and profits falling within subsection (2) are to be treated as attributable for the purpose of calculating E in a calculation under section 7A.
- (5) Regulations made under subsection (4) may—
  - (a) make provision that applies generally or only in relation to a specified description of bet;
  - (b) make different provision for different purposes;
  - (c) make provision applying in respect of expenses incurred, and profits accruing, before the regulations are made (including any incurred or accruing before the passing of the Finance Act 2002);
  - (d) make transitional provision.

### Textual Amendments

**F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 12](#), [Sch. 4 Pt. 1 para. 2](#)

## 7F Net pool betting receipts: calculating winnings

- (1) Subsections (2) to (5) apply for the purpose of calculating W in a calculation under section 7A.

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

- (2) The reference to paying an amount to a person includes a reference to holding it in an account if the person is notified that the amount is being held for him in the account and that he is entitled to withdraw it on demand.
- (3) The return of a stake shall be treated as a payment by way of winnings.
- (4) Only payments of money shall be taken into account.
- (5) Where a bet made before 31st March 2002 relates to events at least one of which takes place before that date and at least one of which takes place on or after that date, no account shall be taken of any payment by way of winnings on the bet.
- (6) The Commissioners may by regulations make provision as to when amounts paid by way of winnings are to be treated as being paid for the purposes of calculating W in a calculation under section 7A.
- (7) Regulations made under subsection (6) may—
  - (a) make provision that applies generally or only in relation to a specified description of bet;
  - (b) make different provision for different purposes;
  - (c) make provision applying in respect of amounts paid before the regulations are made (including amounts paid before the passing of the Finance Act 2002);
  - (d) make transitional provision.

#### Textual Amendments

**F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 12](#), [Sch. 4 Pt. 1 para. 2](#)

## 8 Payment and recovery

- (1) Pool betting duty charged on a person's net pool betting receipts for an accounting period—
  - (a) becomes due at the end of the period,
  - (b) shall be paid by the person, and
  - (c) shall, subject to any regulations under subsection (3) <sup>F34</sup>..., be paid when it becomes due.
- (2) Pool betting duty that is due to be paid may be recovered from the following persons as if they were jointly and severally liable to pay the duty—
  - (a) the person on whose net pool betting receipts the duty is charged (“the primary payer”);
  - (b) a person responsible for the management of any business in the course of which any bets have been made that are dutiable pool bets for the purposes of calculations under section 7A of the amount of the primary payer's net pool betting receipts for any accounting period;
  - (c) a person responsible for the management of any totalisator used for the purposes of any such business;
  - (d) where a person within any of paragraphs (a) to (c) is a company, a director.
- (3) The Commissioners may by regulations—

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

- (a) make provision as to when pool betting duty is to be paid (including provision repealing paragraph 3 of Schedule 1 to this Act and the reference to that paragraph in subsection (1)(c));
  - (b) make provision as to how pool betting duty is to be paid.
- (4) Regulations made under subsection (3) may—
- (a) make provision that applies generally or only in relation to a specified person or class of person;
  - (b) make different provision for different purposes;
  - (c) make transitional provision.

#### Textual Amendments

- F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\), s. 12, Sch. 4 Pt. 1 para. 2](#)
- F34** Words in s. 8(1)(c) omitted (26.9.2010) by virtue of [The Pool Betting Duty \(Application of General Betting Duty Provisions\) Regulations 2010 \(S.I. 2010/1783\), regs. 1, 3\(1\)\(a\)](#) (with reg. 3(2))

#### <sup>F35</sup>8ZA Double taxation relief

- (1) This section applies if a person (“P”) is liable to pay a qualifying foreign tax in respect of bets in respect of which P is also liable to pay pool betting duty.
- (2) Bets in respect of which P is liable to pay both pool betting duty and the qualifying foreign tax are referred to as “eligible bets”.
- (3) Credit may be allowed for all or part of the qualifying foreign tax paid by P.
- (4) Whether any credit is allowed is determined in accordance with Schedule A1.
- (5) If credit is allowed for an accounting period, P is entitled to claim a repayment of so much of the duty actually paid as is equal to the amount of credit allowed.
- (6) Total repayments to P for that accounting period (taking into account all qualifying foreign taxes) must not, in aggregate, exceed the duty actually paid.
- (7) “The duty actually paid” means the pool betting duty paid by P for that accounting period.
- (8) A bet does not count as an “eligible bet” if it was made by or on behalf of P.]

#### Textual Amendments

- F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\), s. 12, Sch. 4 Pt. 1 para. 2](#)
- F35** [S. 8ZA](#) inserted (with effect in accordance with Sch. 25 para. 12 of the amending Act) by [Finance Act 2012 \(c. 14\), Sch. 25 para. 3](#)

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

## **8A Meaning of “bet made for community benefit” in sections 6 to 8**

- (1) For the purposes of sections 6 to 8 (but subject to any direction under subsection (3)), a bet is made “for community benefit” if—
  - (a) the promoter of the betting concerned is a community society or is bound to pay all benefits accruing from the betting to such a society, and
  - (b) the person making the bet knows, when making it, that the purpose of the betting is to benefit such a society.
- (2) In the case of a bet made by means of a totalisator, the reference in subsection (1) to the promoter of the betting concerned is a reference to the operator.
- (3) The Commissioners may direct that any bet specified by the direction, or of a description so specified, is not a bet made for community benefit.
- (4) The power conferred by subsection (3) may not be exercised unless the Commissioners consider that an unreasonably large part of the amounts paid in respect of the bets concerned will, or may, be applied otherwise than—
  - (a) in the payment of winnings, or
  - (b) for the benefit of a community society.
- (5) In this section “community society” means—
  - (a) a society established and conducted for charitable purposes only, or
  - (b) a society established and conducted wholly or mainly for the support of athletic sports or athletic games and not established or conducted for purposes of private gain.
- (6) In this section “society” includes any club, institution, organisation or association of persons, by whatever name called.

### **Textual Amendments**

**F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), s. 12, [Sch. 4 Pt. 1 para. 2](#)

## **8B Meaning of “accounting period” in sections 6 to 8**

- (1) For the purposes of sections 6 to 8—
  - (a) each period that ends with the last Saturday in a calendar month, and begins with the Sunday immediately following the previous such Saturday, is an accounting period, but
  - (b) the Commissioners may by regulations make provision for some other specified period to be an accounting period.
- (2) Regulations made under subsection (1)(b) may—
  - (a) make provision that applies generally or only in relation to a specified person or class of person;
  - (b) make different provision for different purposes;
  - (c) make transitional provision.

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part I. (See end of Document for details)*

**Textual Amendments**

**F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), s. 12, [Sch. 4 Pt. 1 para. 2](#)

**8C Meaning of “bet” in sections 6 to 8A**

- (1) For the purposes of sections 6 to 8A, “bet” does not include the taking of a ticket or chance in a lottery.
- (2) Where payments are made for the chance of winning any money or money’s worth on terms under which the persons making the payments have a power of selection that may (directly or indirectly) determine the winner, those payments shall be treated as bets for the purposes of sections 6 to 8A notwithstanding that the power is not exercised.
- (3) Subsection (2) has effect subject to section 12(3).
- (4) Where any payment entitles a person to take part in a transaction that is, on his part only, not a bet made by way of pool betting by reason of his not in fact making any stake as if the transaction were such a bet, the transaction shall be treated as such a bet for the purposes of pool betting duty (and section 7C(3) shall apply to any such payment).]

**Textual Amendments**

**F30** Ss. 6-8C and preceding cross-heading substituted for ss. 6-8 (24.7.2002 for specified purposes and otherwise retrospective to 31.3.2002 with effect as mentioned in [s. 12\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), s. 12, [Sch. 4 Pt. 1 para. 2](#)

*General*

**9 Prohibitions for protection of revenue.**

F36 .....

**Textual Amendments**

**F36** Ss. 9-9B repealed (1.9.2007) by [Gambling Act 2005 \(c. 19\)](#), ss. 340, 356, 358, [Sch. 17](#) (with ss. 352, 354); [S.I. 2006/3272](#), [art. 2\(4\)](#) (subject to arts. 3-5) (with transitional provisions in art. 6, Sch. 4)

**9A Further prohibitions for protection of revenue: overseas bet-brokers**

F37 .....



*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

**Textual Amendments**

**F37** Ss. 9-9B repealed (1.9.2007) by [Gambling Act 2005 \(c. 19\)](#), ss. 340, 356, 358, [Sch. 17](#) (with ss. 352, 354); [S.I. 2006/3272](#), [art. 2\(4\)](#) (subject to [arts. 3-5](#)) (with transitional provisions in art. 6, Sch. 4)

**9B Offences under sections 9 and 9A: penalties**

**F38** .....

**Textual Amendments**

**F38** Ss. 9-9B repealed (1.9.2007) by [Gambling Act 2005 \(c. 19\)](#), ss. 340, 356, 358, [Sch. 17](#) (with ss. 352, 354); [S.I. 2006/3272](#), [art. 2\(4\)](#) (subject to [arts. 3-5](#)) (with transitional provisions in art. 6, Sch. 4)

**10 Definition of pool betting.**

(1) For the purposes of this Part of this Act, a bet shall be deemed to be made by way of pool betting unless it is a bet at fixed odds, and, in particular, bets shall be held to be made by way of pool betting wherever a number of persons make bets—

- (a) on terms that the winnings of such of those persons as are winners shall be, or be a share of, or be determined by reference to, the stake money paid or agreed to be paid by those persons, whether the bets are made by means of a totalisator, or by filling up and returning coupons or other printed or written forms, or in any other way, or
- (b) on terms that the winnings of such of those persons as are winners shall be, or shall include, an amount (not determined by reference to the stake money paid or agreed to be paid by those persons) which is divisible in any proportions among such of those persons as are winners, or
- (c) on the basis that the winners or their winnings shall, to any extent, be at the discretion of the promoter or some other person.

(2) A bet is a bet at fixed odds within the meaning of this section only if each of the persons making it knows or can know, at the time he makes it, the amount he will win, except in so far as that amount is to depend on the result of the event or events betted on, or on any such event taking place or producing a result, or on the numbers taking part in any such event, or on the starting prices or totalisator odds for any such event, or on there being totalisator odds on any such event, or on the time when his bet is received by any person with or through whom it is made.

In this subsection—

“starting prices” means, in relation to any event, the odds ruling at the scene of the event immediately before the start, and

[<sup>F39</sup>“totalisator odds” means the odds paid on bets made—

- (a) by means of a totalisator, and
- (b) at the scene of the event to which the bets relate.]

(3) A bet made with or through a person carrying on a business of receiving or negotiating bets, being a bet made in the course of that business, shall be deemed not to be a bet at fixed odds within the meaning of this section if the winnings of the person by whom it is so made consist or may consist wholly or in part of something other than money.

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part I. (See end of Document for details)*

- (4) Where a person carries on a business of receiving or negotiating bets and there is or has been issued in connection with that business any advertisement or other publication calculated to encourage in persons making bets of any description with or through him a belief that the bets are made on the basis mentioned in subsection (1)(c) above, then any bets of that description subsequently made with or through him in the course of that business shall be deemed for the purposes of this section to be made on that basis.

#### Textual Amendments

**F39** Words in s. 10(2) substituted (with effect as mentioned in s. 15(10) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 15\(6\)](#)

### [<sup>F40</sup>10A Definition of qualifying foreign tax

- (1) For the purposes of general betting duty or pool betting duty, a “qualifying foreign tax” is a foreign tax specified by the Commissioners in relation to that duty (“the relevant duty”).
- (2) “Specified” means specified in a notice published by the Commissioners, as revised or replaced from time to time.
- (3) The Commissioners must specify a foreign tax under this section if they are satisfied that—
- it is a gambling tax,
  - the activities on which it is charged include betting,
  - the bets in respect of which it is charged include bets in respect of which the relevant duty is also charged, and
  - the charge in respect of such bets is based on betting by persons in or deemed to be in the country or territory where the tax is imposed.
- (4) The following factors indicate that a tax is a gambling tax—
- that it is charged on activities involving betting or gaming (rather than activities generally), and
  - that it goes towards meeting general public expenditure (rather than being ring-fenced for a particular purpose).
- (5) A notice specifying a foreign tax may provide that the tax is to be treated as having been specified with effect from a date that is earlier than the date of the notice.]

#### Textual Amendments

**F40** [S. 10A](#) inserted (with effect in accordance with Sch. 25 para. 12 of the amending Act) by [Finance Act 2012 \(c. 14\), Sch. 25 para. 4](#)

### 11 Definition of coupon betting.

<sup>F41</sup>

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part 1. (See end of Document for details)*

### Textual Amendments

**F41** S. 11 repealed (retrospective to 24.4.2002) by [Finance Act 2002 \(c. 23\)](#), ss. 12(1)(2)(6), 141, Sch. 4 Pt. 1 para. 8, [Sch. 40 Pt. 1\(4\)](#)

## 12 Supplementary provisions.

- (1) Where particulars of an intended bet on which general betting duty or pool betting duty would be chargeable and the stake on that bet are collected for transmission to the person by whom that duty would fall to be paid by some other person, whether or not a bookmaker, who holds himself out as available for so collecting and transmitting them, but are in fact not so transmitted, the bet shall be deemed to have been made but the duty in respect of it shall be paid by that other person.
- (2) The provisions of Schedule 1 to this Act (supplementary provisions as to betting duties) shall have effect.
- (3) In sections 1 to 10 above <sup>F42</sup> . . . , in subsection (1) above and in paragraph 10 of Schedule 1 to this Act, “bet” does not include any bet made or stake hazarded in the course of, or incidentally to, any gaming.
- (4) In this Part of this Act—
  - [<sup>F43</sup>“betting office licence”—
  - (a) <sup>F44</sup> . . . . .
  - (b) in Northern Ireland, means a bookmaking office licence as defined in Article 2(2) of the <sup>M1</sup>Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985;
  - [<sup>F45</sup>“bookmaker” means a person who—
  - (a) carries on the business of receiving or negotiating bets or conducting pool betting operations (whether as principal or agent and whether regularly or not), or
  - (b) holds himself out or permits himself to be held out, in the course of a business, as a person within paragraph (a);]
  - “bookmaker’s permit”—
  - (a) <sup>F46</sup> . . . . .
  - (b) in Northern Ireland, means a bookmaker’s licence as defined in Article 2(2) of the said Order of 1985;]
  - <sup>F47</sup> . . . . .
  - [<sup>F48</sup>“general betting operating licence” has the same meaning as in Part 5 of the Gambling Act 2005 (see section 65(2)(c));]
  - [<sup>F49</sup>“on-course bet” has the meaning given by subsection (4A);]
  - “operator”, in relation to bets made by means of a totalisator, means the person who, as principal, operates the totalisator;
  - “promoter”, in relation to any betting, means the person to whom the persons making the bets look for the payment of their winnings, if any;
  - <sup>F50</sup> . . . . .
  - <sup>F47</sup> . . . . .
  - <sup>F47</sup> . . . . .

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part I. (See end of Document for details)*

“winnings” includes winnings of any kind, and references to amount and to payment in relation to winnings shall be construed accordingly;

<sup>F51</sup>

[<sup>F52</sup>(4A) A bet is an on-course bet for the purposes of this Part of this Act if it—

- (a) is made by a person present at a horse or dog race meeting or by a bookmaker,
- (b) is not made through an agent of an individual making the bet or through an intermediary, and
- (c) is made—
  - (i) with a bookmaker present at the meeting, or
  - (ii) by means of a totalisator situated in the United Kingdom, using facilities provided at the meeting by or by arrangement with the person operating the totalisator.]

(5) In this Part of this Act references to this Part of this Act include Schedule 1 to this Act.

#### Textual Amendments

- F42** Words in s. 12(3) repealed (retrospective to 24.4.2002) by [Finance Act 2002 \(c. 23\)](#), ss. 12(1)(2)(6), 141, [Sch. 4 Pt. 1 para. 9](#), [Sch. 40 Pt. 1\(4\)](#)
- F43** Definitions “betting office licence”, “bookmaker” and “bookmaker’s permit” inserted by [Finance Act 1986 \(c. 41, SIF 12:2\)](#), s. 6, [Sch. 4 para. 4\(a\)](#)
- F44** S. 12(4): words in definition of “betting office licence” repealed (1.9.2007) by [Finance Act 2007 \(c. 11\)](#), ss. 105, 114, [Sch. 25 paras. 7\(2\), 23](#), [Sch. 27 Pt. 6\(3\)](#); S.I. 2007/2532, [art. 2](#)
- F45** S. 12(4): definition of “bookmaker” substituted (with effect as mentioned in s. 15(10) of the amending Act) by [Finance Act 2004](#), {s. 15(7)(a)}
- F46** S. 12(4): words in definition of “bookmaker’s permit” repealed (1.9.2007) by [Finance Act 2007 \(c. 11\)](#), ss. 105, 114, [Sch. 25 paras. 7\(3\), 23](#), [Sch. 27 Pt. 6\(3\)](#); S.I. 2007/2532, [art. 2](#)
- F47** S. 12(4): definitions of “meeting”, “totaliser” and “track” repealed (19.7.2007) by [Finance Act 2007 \(c. 11\)](#), ss. 105, 114, [Sch. 25 para. 7\(5\)](#), [Sch. 27 Pt. 6\(3\)](#)
- F48** S. 12(4): definition of “general betting operating licence” inserted (1.9.2007) by [Finance Act 2007 \(c. 11\)](#), ss. 105, [Sch. 25 paras. 7\(4\), 23](#); S.I. 2007/2532, [art. 2](#)
- F49** S. 12(4): definition of “on-course bet” substituted (with effect as mentioned in s. 15(10) of the amending Act) by [Finance Act 2004](#), {s. 15(7)(b)}
- F50** S. 12(4): definition of “sponsored pool betting” repealed (with effect as mentioned in s. 15(10) of the amending Act) by [Finance Act 2004](#), ss. 15(7)(c), 326, {[Sch. 42 Pt. 1\(2\)](#)}
- F51** Words repealed by [Finance Act 1986 \(c. 41, SIF 12:2\)](#), ss. 6, 114(6), [Sch. 4 para. 4\(c\)](#), [Sch. 23 Pt. III](#) Notes (a)(b)
- F52** S. 12(4A) inserted (with effect as mentioned in s. 15(10) of the amending Act) by [Finance Act 2004](#), {s. 15(8)}

#### Modifications etc. (not altering text)

- C1** S. 12 applied (17.10.1994) by S.I. 1994/2679, [art. 3](#).

#### Marginal Citations

- M1** [S.I. 1985/1204 \(N.I. 11\)](#).

**Status:**

Point in time view as at 17/07/2012.

**Changes to legislation:**

There are currently no known outstanding effects for the Betting and Gaming Duties Act 1981, Part I.