



Betting and Gaming Duties Act 1981

1981 CHAPTER 63

PART I **U.K.**

BETTING DUTIES

Pool betting duty

VALID FROM 10/07/2003

^{F1} **Relief for losses** **U.K.**

^{F2} ^{F3} **7ZA** (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—
- (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 pool betting receipts for that period.]

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**
- F2** 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**

Status: Point in time view as at 01/05/1995. This version of this cross heading contains provisions that are not valid for this point in time.

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

- F3** S. 7ZA inserted (with application as mentioned in s. 6(6) of the amending Act) by [Finance Act 2003 \(c. 14\), s. 6\(5\)](#)

VALID FROM 31/03/2002

7A Calculating net pool betting receipts **U.K.**

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).

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](#)
- F2** 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](#)

VALID FROM 31/03/2002

7B Net pool betting receipts: meaning of “dutiable pool bet” **U.K.**

(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 “dutiable 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) the bet is made otherwise than by means of a totalisator and that person is the promoter and is in the United Kingdom.

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- (3) The second condition is that the bet is not—
 - (a) made by way of sponsored pool betting,
 - (b) made as mentioned in section 4(3), or
 - (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.

VALID FROM 31/03/2002

7C Net pool betting receipts: calculating stake money **U.K.**

- (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 dutiable 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.

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**
- F2** 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**

VALID FROM 31/03/2002

7D Net pool betting receipts: when stakes etc fall due **U.K.**

- (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.

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- (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.

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**
- F2** 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**

VALID FROM 31/03/2002

7E Net pool betting receipts: expenses and profits **U.K.**

- (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))

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- (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

- 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**
- F2** 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**

VALID FROM 31/03/2002

7F Net pool betting receipts: calculating winnings **U.K.**

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

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- (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

- 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**
- F2** 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**

VALID FROM 31/03/2002

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

- (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

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(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

- 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](#)
- F2** 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](#)

VALID FROM 31/03/2002

8B Meaning of “accounting period” in sections 6 to 8 **U.K.**

- (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.

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](#)
- F2** 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](#)

VALID FROM 31/03/2002

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

- (1) For the purposes of sections 6 to 8A, “bet” does not include the taking of a ticket or chance in a lottery.

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- (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

- 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**
- F2** 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**

6 Pool betting duty. **U.K.**

- (1) There shall be charged a duty of excise, to be known as pool betting duty—
- subject to subsection (2) below, on all bets made by way of pool betting, wherever made, and
 - on all bets made at fixed odds with the Horserace Totalisator Board or a bookmaker in ^{F4}the United Kingdom] by way of coupon betting, not being bets made by way of sponsored pool betting or made as mentioned in section 1(1)(c) above.
- (2) Bets made by way of pool betting are chargeable with pool betting duty only if—
- in the case of bets made by means of a totalisator, the totalisator is situated in ^{F4}the United Kingdom];
 - in the case of bets made otherwise than by means of a totalisator, the promoter of the betting is in ^{F4}the United Kingdom].
- (3) For the purposes of this section and sections 7 and 8 below (except in their application to coupon betting)—
- subject to paragraph (b) and section 12(3) below, 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 which may (directly or indirectly) determine the winner, those payments shall be treated as bets notwithstanding that the power is not exercised;
 - ^{F5}(b) “bet” does not include the taking of a ticket or chance in a lottery.]
- ^{F6}(4)

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Textual Amendments

- F4 Words substituted by Finance Act 1986 (c. 41, SIF 12:2), s. 6, Sch. 4 para. 2(1)
- F5 S. 6(3)(b) substituted (1.2.1994) by 1993 c. 34, ss. 39(a), 40(2)(3); S.I. 1993/2842, art. 3(2)
- F6 S. 6(4) repealed (1.2.1994) by 1993 c. 34, ss. 39(b), 40(2)(3), 213, Sch. 23 Pt. I(7); S.I. 1993/2842, art. 3(3)

Modifications etc. (not altering text)

- C1 S. 6(3) amended by S.I. 1989/1358, art. 2

7 Amount of pool betting duty. **U.K.**

- (1) The amount of the pool betting duty shall be equal . . . ^{F7} to [^{F8}32.50 per cent.] of the aggregate of—
 - (a) the amount of the stake money paid, and
 - (b) the expenses and profits described in subsection (4) below (but subject to subsection (5) below).
- (2) ^{F9}
- (3) For the purposes of pool betting duty, any payment which entitles a person to make a bet by way of pool betting or coupon betting shall, if he makes the bet, be treated as stake money on the bet; and this subsection shall apply to any payment entitling a person to take part in a transaction which is, on his part, only not a bet made by way of pool betting or coupon betting by reason of his not in fact making any stake as if the transaction were such a bet, and the transaction shall accordingly be treated as a bet for the purposes of pool betting duty.
- (4) The expenses and profits referred to in subsection (1)(b) above are the expenses and profits of the promoter of the betting or any other person concerned with or benefiting from the promotion of the betting so far as they are not provided for out of the stake money and are not shown to be referable to matters other than the promotion and management of the betting and activities ancillary thereto or connected therewith; and all payments made for or on account of or in connection with any bets made by way of pool betting or coupon betting in addition to the stake money by the persons making the bets shall be treated as representing amounts on which duty is (subject to subsection (5) below) chargeable by virtue of subsection (1)(b) above except in so far as the promoter of the betting proves the contrary.
- (5) There shall be excepted from any charge to duty under this section the amount of any benefit accruing from the betting to a society established and conducted for charitable purposes only or to 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, if the benefit is provided by means of payments made by persons making bets and those persons know, when making the payments, that their purpose is to provide the benefit.

In this subsection “society” includes any club, institution, organisation or association of persons, by whatever name called.

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

Textual Amendments

- F7** Words repealed by [Finance Act 1990 \(c. 29, SIF 12:2\)](#), s. 132, [Sch. 19 Pt. I](#)
- F8** Words in s. 7(1) substituted (1.5.1995 with application on or after 6.5.1995) by virtue of [1995 c. 4, s. 12\(1\)\(2\)](#).
- F9** S. 7(2) repealed by [Finance Act 1990 \(c. 29, SIF 12:2\)](#), s. 132, [Sch. 19 Pt. I](#)

^{F10} **8 Payment and recovery of pool betting duty. U.K.**

- (1) Pool betting duty shall be paid—
- (a) in the case of bets made by means of totalisator, by the operator and,
 - (b) in the case of other bets, by the promoter.
- (2) The pool betting duty chargeable on any bet shall be recoverable jointly and severally from all or any of the following persons—
- (a) the conductor of the dutiable betting by way of which the bet was made;
 - (b) any other person responsible for the management of any premises or totalisator in respect of which that conductor has made entry or given notice in accordance with paragraph 4(2) or (4) of Schedule 1 to this Act;
 - (c) where a person within paragraph (a) or (b) above is a company, any director of that company.
- (3) In this section—
- “conductor of dutiable betting” means a person carrying on a business the carrying on of which involves or may involve any sums becoming payable by him by way of pool betting duty;
- “dutiable betting” means betting by way of pool betting or coupon betting.

Textual Amendments

- F10** [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](#)

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