



Finance Act 1997

1997 CHAPTER 16

PART I U.K.

EXCISE DUTIES

Gaming duty

10 Gaming duty to replace gaming licence duty. U.K.

(1) A gaming licence shall not be required under section 13 of the ^{M1}Betting and Gaming Duties Act 1981 (gaming licence duty) for any gaming on or after 1st October 1997; but a duty of excise (to be known as “gaming duty”) shall be charged in accordance with section 11 below on any premises in the United Kingdom where gaming to which this section applies (“dutiable gaming”) takes place on or after that date.

[^{F1}(2) Subject as follows, this section applies to—

- (a) casino games, and
- (b) equal chance gaming.]

(3) This section does not apply to any lawful gaming which is gaming to which any of the following provisions applies and takes place in accordance with the requirements of that provision, that is to say—

- (a) [^{F2}Part 1 of Schedule 15 to the Gambling Act 2005] or Article 55(2) of the ^{M2}Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985 (private parties);
- (b) [^{F3}section 279 of that Act] (premises licensed for the sale of liquor);
- ^{F4}(c)
- (d) ^{F5}... Article 126 of that Order (gaming at entertainments not held for private gain);
- (e) [^{F6}Part 13 of that Act] or Article [^{F7}77,] 153 or 154 of that Order (amusements with prizes).

^{F8}[^{F9}(3A)

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- [^{F10}(3AA) This section does not apply to the playing of a game in respect of which—
- (a) bingo duty or lottery duty is chargeable, or would be chargeable but for an express exception, or
 - (b) machine games duty is chargeable.]
- (3B) This section does not apply to any lawful gaming which consists of games played in Great Britain at an entertainment in respect of which all the payments made by the players (whether by way of entrance fee or stake or otherwise) are, after making permissible deductions from those payments, applied for a purpose other than that of private gain (within the meaning of the Gambling Act 2005).
- (3C) For the purposes of subsection (3B), only the following deductions are permissible deductions—
- (a) deductions on account of reasonable expenses incurred in [^{F11}organising or] providing the facilities for the purposes of the games, and
 - (b) deductions for the provision of prizes or awards in respect of the games.]
- [^{F12}(4) This section does not apply—
- (a) in Great Britain, to the playing of a game where the provision of facilities for its playing falls within section 269 of the Gambling Act 2005 (equal chance gaming at members' or commercial clubs and miners' welfare institutes), or
 - (b) in Northern Ireland, to the playing of a game to which Article 128 of the Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985 (certain clubs) applies.]
- (5) The Treasury may by order made by statutory instrument [^{F13}provide that any specified game is or is not to be a casino game or equal chance gaming for the purposes of this section] if it appears to them, having regard to the character of the game and the circumstances in which it is played, that it is appropriate to do so.
- (6) Any reference in [^{F14}an order under subsection (5) above] to a particular game shall be taken to include a reference to any game (by whatever name called) which is essentially similar to that game.

Textual Amendments

- F1** S. 10(2) substituted (retrospective to 27.4.2009) by [Finance Act 2009 \(c. 10\), s. 114\(3\)\(17\)](#) (with s. 114(18))
- F2** Words in s. 10(3)(a) substituted (1.9.2007) by [Finance Act 2007 \(c. 11\), Sch. 25 paras. 17\(2\)\(a\), 23\(2\)](#); [S.I. 2007/2532, art. 2](#)
- F3** Words in s. 10(3)(b) substituted (1.9.2007) by [Finance Act 2007 \(c. 11\), Sch. 25 paras. 17\(2\)\(b\), 23\(2\)](#); [S.I. 2007/2532, art. 2](#)
- F4** S. 10(3)(c) repealed (1.9.2007) by [Finance Act 2007 \(c. 11\), Sch. 25 paras. 17\(2\)\(c\), 23\(2\), Sch. 27 Pt. 6\(3\)](#); [S.I. 2007/2532, art. 2](#)
- F5** Words in s. 10(3)(d) repealed (1.9.2007) by [Finance Act 2007 \(c. 11\), Sch. 25 paras. 17\(2\)\(d\), 23\(2\), Sch. 27 Pt. 6\(3\)](#); [S.I. 2007/2532, art. 2](#)
- F6** Words in s. 10(3)(e) substituted (1.9.2007) by [Finance Act 2007 \(c. 11\), Sch. 25 paras. 17\(2\)\(e\), 23\(2\)](#); [S.I. 2007/2532, art. 2](#)
- F7** Word in s. 10(3)(e) inserted (retrospective to 27.4.2009) by [Finance Act 2009 \(c. 10\), s. 114\(4\)\(17\)](#) (with s. 114(18))
- F8** S. 10(3A) omitted (17.7.2012) (with effect in accordance with Sch. 24 para. 66(3) of the amending Act) by virtue of [Finance Act 2012 \(c. 14\), Sch. 24 para. 56](#) (with Sch. 24 para. 62)

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- F9** S. 10(3A)-(3C) inserted (1.9.2007) by [Finance Act 2007 \(c. 11\)](#), [Sch. 25 paras. 17\(3\)](#), 23(2); S.I. 2007/2532, art. 2
- F10** S. 10(3AA) substituted (17.7.2012) (with effect in accordance with Sch. 24 para. 66(2) of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 24 para. 48](#)
- F11** Words in s. 10(3C)(a) inserted (retrospective to 27.4.2009) by [Finance Act 2009 \(c. 10\)](#), [s. 114\(6\)\(17\)](#) (with s. 114(18))
- F12** S. 10(4) substituted (retrospective to 27.4.2009) by [Finance Act 2009 \(c. 10\)](#), [s. 114\(7\)\(17\)](#) (with s. 114(18))
- F13** Words in s. 10(5) substituted (retrospective to 27.4.2009) by [Finance Act 2009 \(c. 10\)](#), [s. 114\(8\)\(17\)](#) (with s. 114(18))
- F14** Words in s. 10(6) substituted (retrospective to 27.4.2009) by [Finance Act 2009 \(c. 10\)](#), [s. 114\(9\)\(17\)](#) (with s. 114(18))

Marginal Citations

- M1** 1981 c. 63.
- M2** S.I. 1985/1204 (N.I. 11).

11 Rate of gaming duty. **U.K.**

- (1) Gaming duty shall be charged on premises for every accounting period which contains a time when dutiable gaming takes place on those premises.
- (2) Subject to subsection (3) below, the amount of gaming duty which is charged on any premises for any accounting period shall be calculated, in accordance with the following Table, by—
 - (a) applying the rates specified in that Table to the parts so specified of the gross gaming yield in that period from the premises; and
 - (b) aggregating the results.

[^{F15}TABLE

<i>Part of gross gaming yield</i>	<i>Rate</i>
The first £2,175,000	15 per cent
The next £1,499,500	20 per cent
The next £2,626,000	30 per cent
The next £5,542,500	40 per cent
The remainder	50 per cent]

- (3) Where, in an accounting period, unregistered gaming takes place on any premises, the amount of gaming duty which is charged on those premises for that period shall be equal to [^{F16}50 per cent] of the gross gaming yield in that period from the premises.
- (4) For the purposes of subsection (3) above, unregistered gaming takes place on premises in an accounting period if—
 - (a) dutiable gaming takes place on those premises at any time in that period, and
 - (b) at that time those premises are not specified in the entry on the gaming duty register for a person by whom at that time they are notifiable for the purposes of paragraph 6 of Schedule 1 to this Act.
- (5) The Commissioners may by regulations—

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- (a) provide for the cases in which dutiable gaming is to be treated as taking place on any premises for part only of an accounting period; and
- (b) in relation to such cases, provide for the parts of the gross gaming yield specified in the first column of the Table in subsection (2) above to be reduced in relation to those premises for that accounting period in such manner as may be determined in accordance with the regulations.
- (6) Where the Commissioners are satisfied—
- (a) that dutiable gaming is, has been or may be taking place in the course of any accounting period at different premises situated at the same location or in very close proximity to each other, and
- (b) that the activities carried on at those premises are connected or form part of the same business or are, or are comprised in, connected businesses,
- the Commissioners may direct that for the purposes of gaming duty the different premises are to be treated as different parts of the same premises.
- (7) Sections [F17]13A to 16] of the M3Finance Act 1994 (review and appeals) shall have effect in relation to any decision of the Commissioners to make or vary a direction under subsection (6) above as if that decision were a decision of a description [F18]falling within section 13(A)(2)(j) of that Act].
- (8) For the purposes of this section the gross gaming yield from any premises in any accounting period shall consist of the aggregate of—
- (a) the gaming receipts for that period from those premises; and
- (b) where a provider of the premises (or a person acting on his behalf) is banker in relation to any dutiable gaming taking place on those premises in that period, the banker's profits for that period from that gaming.
- (9) For the purposes of subsection (8) above the gaming receipts for an accounting period from any premises are the receipts in that period from charges made in connection with any dutiable gaming which has taken place on the premises other than—
- ^{F19}(a)
- (b) any charge the payment of which confers no more than an entitlement to admission to the premises.
- (10) In subsection (8) above the reference to the banker's profits from any gaming is a reference to the amount (if any) by which the value specified in paragraph (a) below exceeds the value specified in paragraph (b) below, that is to say—
- (a) the value, in money or money's worth, of the stakes staked with the banker in any such gaming; and
- (b) [F20]the value of the prizes provided] by the banker to those taking part in such gaming otherwise than on behalf of a provider of the premises.
- [F21](10A) Subsections (2) to (6)(a) of section 20 of the Betting and Gaming Duties Act 1981 (expenditure on bingo winnings: valuation of prizes) apply, with any necessary modifications, for the purposes of gaming duty as they apply for the purposes of bingo duty.]
- (11) The Treasury may by order made by statutory instrument amend subsections (8) to [F22](10A)] above.

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Textual Amendments

- F15** S. 11(2) table substituted (with effect in accordance with s. 193(2) of the amending Act) by [Finance Act 2012 \(c. 14\), s. 193\(1\)](#)
- F16** Words in s. 11(3) substituted (with effect in accordance with s. 7(3) of the amending Act) by [Finance Act 2007 \(c. 11\), s. 7\(2\)](#)
- F17** Words in s. 11(7) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\), art. 1\(2\), Sch. 1 para. 242\(2\)](#)
- F18** Words in s. 11(7) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\), art. 1\(2\), Sch. 1 para. 242\(3\)](#)
- F19** S. 11(9)(a) omitted (retrospective to 27.4.2009) by virtue of [Finance Act 2009 \(c. 10\), s. 113\(5\)\(b\)\(6\)](#)
- F20** Words in s. 11(10)(b) substituted (1.9.2007) by [Finance Act 2007 \(c. 11\), Sch. 25 paras. 18\(2\), 23\(2\); S.I. 2007/2532, art. 2](#)
- F21** S. 11(10A) inserted (1.9.2007) by [Finance Act 2007 \(c. 11\), Sch. 25 paras. 18\(3\), 23\(2\); S.I. 2007/2532, art. 2](#)
- F22** Word in s. 11(11) substituted (1.9.2007) by [Finance Act 2007 \(c. 11\), Sch. 25 paras. 18\(4\), 23\(2\); S.I. 2007/2532, art. 2](#)

Marginal Citations

- M3** [1994 c. 9.](#)

12 Liability to pay gaming duty. **U.K.**

- (1) The liability to pay the gaming duty charged on any premises for any accounting period shall fall jointly and severally on—
- every person who is a provider of the premises at a time in that period when dutiable gaming takes place there;
 - every person concerned in the organisation or management of any dutiable gaming taking place on those premises in that period;
 - where any of the persons mentioned in paragraphs (a) and (b) above is a body corporate that is treated as a member of a group for the purposes of Part I of Schedule 1 to this Act, every body corporate that is treated as a member of that group for those purposes; and
 - where any of the persons mentioned in paragraphs (a) to (c) above is a body corporate, every director of that body.
- (2) A person shall for the purposes of this section be conclusively presumed to be a provider of premises at any time if at that time—
- he is registered on the gaming duty register, and
 - those premises are specified in his entry on that register.
- (3) The Commissioners may by regulations make provision—
- for apportioning the liability for any gaming duty charged on any premises for an accounting period between different persons; and
 - for the amount of gaming duty charged on any premises for the different parts of a period for which an apportionment falls to be made to be computed (in accordance with regulations made by virtue of section 11(5)(b) above) as if each part of the period were the only part of the period during which dutiable gaming has taken place on those premises.

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- (4) The Commissioners may by regulations impose obligations on any of the persons mentioned in subsection (1) above requiring them to make payments on account of any gaming duty that is likely to be chargeable on any premises.
- (5) Any failure by any person to pay any amount of gaming duty due from him—
- (a) shall attract a penalty under section 9 of the ^{M4}Finance Act 1994 (civil penalties) which shall be calculated by reference to the amount that has not been paid; and
 - (b) shall also attract daily penalties.
- (6) Where, in accordance with any regulations under subsection (4) above, any amount has become payable on account of gaming duty by any person, that amount shall be deemed—
- (a) for the purposes of section 12 of the Finance Act 1994 (assessments to excise duty), to be an amount which has become due from that person in respect of gaming duty;
 - (b) for the purposes of section 116 of the ^{M5}Customs and Excise Management Act 1979 (time and place etc. for payment of excise duty), to be an amount of gaming duty that has become payable; and
 - (c) for the purposes of subsection (5) above, sections 51 and 52 below and section 137(1) of the Customs and Excise Management Act 1979 (recovery of duty), to be an amount of gaming duty due from that person;
- and an amount paid on account of gaming duty shall be deemed for the purposes of section 137A of the Customs and Excise Management Act 1979 (recovery of overpaid duty) to be an amount paid by way of that duty.

Marginal Citations

M4 1994 c. 9.

M5 1979 c. 2.

13 Supplemental provisions relating to gaming duty. **U.K.**

- (1) Schedule 1 to this Act (which makes supplemental provision with respect to gaming duty) shall have effect.
- (2) Schedule 2 to this Act (which amends the Customs and Excise Management Act 1979 and contains other amendments) shall have effect.

14 Subordinate legislation relating to gaming duty. **U.K.**

- (1) Any power conferred on the Commissioners by section 11 or 12 above or Schedule 1 to this Act to make regulations—
 - (a) shall be exercisable by statutory instrument subject to annulment in pursuance of a resolution of the House of Commons; and
 - (b) shall include power to make different provision for different cases.
- (2) A statutory instrument containing an order under section 10(5) [^{F23}providing that any game is to be a casino game or equal chance gaming or any order under section 11(11)]—
 - (a) shall be laid before the House of Commons after being made; and

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- (b) shall cease to have effect (without prejudice to anything previously done under the order or to the making of a new order) at the end of the period of 28 days after the day on which it was made unless it has been approved, before the end of that period, by a resolution of that House.
- (3) In reckoning the period of 28 days mentioned in subsection (2)(b) above, no account shall be taken of any time during which Parliament is dissolved or prorogued or during which the House of Commons is adjourned for more than four days.
- [^{F24}(4) A statutory instrument containing an order under section 10(5) that does not provide for any game to be a casino game or equal chance gaming is subject to annulment in pursuance of a resolution of the House of Commons.]

Textual Amendments

- F23** Words in s. 14(2) substituted (retrospective to 27.4.2009) by [Finance Act 2009 \(c. 10\), s. 114\(11\)\(17\)](#) (with [s. 114\(18\)](#))
- F24** S. 14(4) inserted (retrospective to 27.4.2009) by [Finance Act 2009 \(c. 10\), s. 114\(12\)\(17\)](#) (with [s. 114\(18\)](#))

15 Interpretation of gaming duty provisions. **U.K.**

- (1) This section shall have effect for the purposes of construing the gaming duty provisions of this Act, that is to say, sections 10 to 14 above, this section and Schedule 1 to this Act.
- (2) The gaming duty provisions of this Act shall be construed as one with the ^{M6}Customs and Excise Management Act 1979.
- (3) In the gaming duty provisions of this Act—
- “accounting period” means, subject to the provisions of Schedule 1 to this Act, a period of six months beginning with 1st April or 1st October;
- [^{F25}“casino games” means games of chance which are not equal chance gaming (but subject to any order under section 10(5));]
- “dutable gaming” means gaming to which section 10 above applies;
- [^{F26}“equal chance gaming”—
- (a) in Great Britain, means gaming which does not involve playing or staking against a bank (however described, and whether or not controlled or administered by a player) and in which the chances are equally favourable to all participants, and
- (b) in Northern Ireland, means gaming in respect of which none of the conditions specified in Article 55 of the Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985 is met,
- (but subject to any order under section 10(5));]
- [^{F27}“gaming” has the same meaning as in the Betting and Gaming Duties Act 1981 (see section 33(1));]
- “the gaming duty register” means the register maintained under paragraph 1 of Schedule 1 to this Act;
- “premises” includes any place and any means of transport and shall be construed subject to section 11(6) above;

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“provider”, in relation to any premises where gaming takes place, means any person having a right to control the admission of persons to those premises, whether or not he has a right to control the admission of persons to the gaming.

- (4) For the avoidance of doubt it is hereby declared that the imposition or payment of gaming duty does not make lawful any gaming which is otherwise unlawful.

Textual Amendments

- F25** Words in s. 15(3) inserted (retrospective to 27.4.2009) by [Finance Act 2009 \(c. 10\)](#), s. 114(13)(**14**)(17) (with s. 114(18))
- F26** Words in s. 15(3) inserted (retrospective to 27.4.2009) by [Finance Act 2009 \(c. 10\)](#), s. 114(13)(**15**)(17) (with s. 114(18))
- F27** Words in s. 15(3) substituted (1.9.2007) by [Finance Act 2007 \(c. 11\)](#), **Sch. 25 paras. 19**, 23(2); S.I. 2007/2532, art. 2
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- M6** 1979 c. 2.

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