



Finance Act 2003

2003 CHAPTER 14

PART 1

EXCISE DUTIES

Betting and gaming duties

9 Bingo duty

- (1) For sections 17 to 20 of the Betting and Gaming Duties Act 1981 (bingo duty) substitute—

“17 Bingo duty

- (1) A duty of excise, to be known as bingo duty, shall be charged—
- on the playing of bingo in the United Kingdom, and
 - at the rate of 15 per cent of a person’s bingo promotion profits for an accounting period.
- (2) Subsection (1) is subject to the exemptions specified in Part 1 of Schedule 3 to this Act.
- (3) The amount of a person’s bingo promotion profits for an accounting period is—
- the amount of the person’s bingo receipts for the period (calculated in accordance with section 19), minus
 - the amount of his expenditure on bingo winnings for the period (calculated in accordance with section 20).
- (4) Bingo duty charged in respect of a person’s bingo promotion profits shall be paid by him.

Status: Point in time view as at 01/03/2007. This version of this provision has been superseded.

Changes to legislation: Finance Act 2003, Section 9 is up to date with all changes known to be in force on or before 21 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (5) Where the amount that would be charged in respect of a person's bingo promotion profits for an accounting period is less than £1, no duty shall be charged.

18 Accounting period

- (1) For the purposes of section 17 an accounting period ends, and another begins, at the end of the last Sunday in each calendar month.
- (2) But regulations under paragraph 9 of Schedule 3 to this Act may make provision in place of subsection (1) for the purposes of the application of section 17 to specified persons or in specified circumstances.
- (3) Regulations made by virtue of subsection (2) may make transitional provision.

19 Bingo receipts

- (1) A person has bingo receipts for an accounting period if payments fall due in the period in respect of entitlement to participate in bingo promoted by him.
- (2) The amount of the person's bingo receipts for the accounting period is the aggregate of those payments.
- (3) For the purposes of subsections (1) and (2)—
- (a) an amount in respect of entitlement to participate in a game of bingo is to be treated as falling due in the accounting period in which the game is played,
 - (b) where a payment relates to a supply of services on which value added tax is chargeable, the amount of value added tax chargeable shall be disregarded (irrespective of whether or not that amount is paid by way of value added tax),
 - (c) it is immaterial whether an amount falls due to be paid to the promoter or to another person,
 - (d) it is immaterial whether an amount is described as a fee for participation, as a stake, or partly as one and partly as the other, and
 - (e) where a sum is paid partly in respect of entitlement to participate in a game of bingo and partly in respect of another matter—
 - (i) such part of the sum as is applied to, or properly attributable to, entitlement to participate in the game shall be treated as an amount falling due in respect of entitlement to participate in the game, and
 - (ii) the remainder shall be disregarded.

20 Expenditure on bingo winnings

- (1) A person's expenditure on bingo winnings for an accounting period is the aggregate of the values of prizes provided by him in that period by way of winnings at bingo promoted by him.
- (2) Where a prize is obtained by the promoter from a person not connected with him, the cost to the promoter shall be treated as the value of the prize for the purpose of subsection (1).

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- (3) Where a prize is a voucher which—
- (a) may be used in place of money as whole or partial payment for benefits of a specified kind obtained from a specified person,
 - (b) specifies an amount as the sum or maximum sum in place of which the voucher may be used, and
 - (c) does not fall within subsection (2),
- the specified amount is the value of the voucher for the purpose of subsection (1).
- (4) Where a prize is a voucher (whether or not it falls within subsection (2)) it shall be treated as having no value for the purpose of subsection (1) if—
- (a) it does not satisfy subsection (3)(a) and (b), or
 - (b) its use as described in subsection (3)(a) is subject to a specified restriction, condition or limitation which may make the value of the voucher to the recipient significantly less than the amount mentioned in subsection (3)(b).
- (5) In the case of a prize which—
- (a) is neither money nor a voucher, and
 - (b) does not fall within subsection (2),
- the value of the prize for the purpose of subsection (1) is—
- (i) the amount which the prize would cost the promoter if obtained from a person not connected with him, or
 - (ii) where no amount can reasonably be determined in accordance with sub-paragraph (i), nil.
- (6) For the purpose of this section—
- (a) a reference to connection between two persons shall be construed in accordance with section 839 of the Income and Corporation Taxes Act 1988 (connected persons), and
 - (b) an amount paid by way of value added tax on the acquisition of a thing shall be treated as part of its cost (irrespective of whether or not the amount is taken into account for the purpose of a credit or refund).

20A Combined bingo

- (1) A game of bingo is “combined bingo” if—
- (a) it is multiple bingo within the meaning of section 1 of the Gaming (Bingo) Act 1985, or
 - (b) it is played in more than one place and promoted by more than one person.
- (2) Payments made in respect of entitlement to participate in combined bingo shall be treated for the purposes of section 19(1) as bingo receipts only of the first promoter to whom (or at whose direction) they are paid.
- (3) Where money representing stakes hazarded at combined bingo is paid in an accounting period by one promoter of the bingo (“the first promoter”) to another (“the second promoter”)—
- (a) the money shall not be treated as a bingo receipt of the second promoter for the purposes of section 19(1),

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- (b) the payment shall be treated as expenditure of the first promoter on bingo winnings for the accounting period for the purposes of section 20(1), and
 - (c) no subsequent payment of all or part of the money shall be treated as expenditure on bingo winnings for the purposes of section 20(1) (whether paid by the second promoter to another person, by the first promoter having received it from the second promoter, or otherwise).
- (4) Subsections (2) and (3) shall apply only where the combined bingo is played entirely in the United Kingdom.

20B Carrying losses forward

- (1) Where the calculation of a person's bingo promotion profits for an accounting period results in a negative amount ("the loss")—
- (a) no bingo duty shall be chargeable in respect of that accounting period, and
 - (b) for the purpose of section 17(3), the amount of the person's expenditure on bingo winnings for the next accounting period shall be increased by the amount of the loss.
- (2) Subsection (1) applies to an accounting period whether or not the loss results wholly or partly from the previous application of that subsection.

20C Supplementary

- (1) Part 2 of Schedule 3 to this Act (bingo duty: supplementary) shall have effect.
- (2) In sections 17 to 20B above, this section and Schedule 3—
- “bingo” includes any version of that game, whatever name it is called,
 - “licensed bingo” means bingo played at premises licensed under—
 - (a) the Gaming Act 1968, or
 - (b) Chapter II of Part III of the Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985,
 - “prize” means anything won at bingo, and
 - “United Kingdom” includes the territorial sea of the United Kingdom.
- (3) For the purposes of those provisions, except in relation to combined bingo, the promoter of a game of bingo is—
- (a) in the case of licensed bingo, the holder of the licence, and
 - (b) in the case of non-licensed bingo, the person who provides the facilities for the game.
- (4) For the purposes of those provisions in relation to combined bingo a person promotes a game of bingo if he is wholly or partly responsible for organising it or for providing facilities for it.
- (5) In those provisions a reference to entitlement to participate in a game of bingo includes a reference to an opportunity to participate in a game of bingo in

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respect of which a charge is made (whether by way of a fee for participation, a stake, or both).

- (6) In proceedings relating to bingo duty under the customs and excise Acts an averment in any process that a particular game is a version of bingo shall, until the contrary is proved, be sufficient evidence that it is.”
- (2) In paragraph 1 of Schedule 3 to the Betting and Gaming Duties Act 1981 (c. 63) (bingo duty: exemptions: domestic bingo) for “Bingo duty shall not be charged in respect of” substitute “ In calculating liability to bingo duty no account shall be taken of”.
- (3) For paragraph 2 of Schedule 3 to the Betting and Gaming Duties Act 1981 (bingo duty: exemptions: small-scale bingo) substitute—

“Small-scale bingo

- 2 (1) This paragraph applies where entitlement to participate in non-licensed bingo depends on a person’s being—
- (a) a member of a group or organisation,
 - (b) a guest of a member of a group or organisation, or
 - (c) a guest of a group or organisation.
- (2) Payments in respect of entitlement to participate in the non-licensed bingo shall not be brought into account in relation to any person for the purpose of section 19.
- (3) Winnings at the non-licensed bingo shall not be brought into account in relation to any person for the purpose of section 20.

Small-scale bingo

- 2A (1) In the case of non-licensed bingo to which paragraph 2 does not apply—
- (a) payments in respect of entitlement to participate in the non-licensed bingo shall not be brought into account in relation to any person for the purpose of section 19 (subject to sub-paragraphs (2) to (5) below), and
 - (b) winnings at the non-licensed bingo shall not be brought into account in relation to any person for the purpose of section 20 (subject to sub-paragraphs (2) to (5) below).
- (2) If on a day winnings at non-licensed bingo promoted by a person exceed £500, sub-paragraph (1) shall not apply in relation to the person in respect of the accounting period in which that day falls and the next two accounting periods.
- (3) If stakes exceeding in aggregate £500 are hazarded on a day at non-licensed bingo promoted by a person, sub-paragraph (1) shall not apply in relation to the person in respect of the accounting period in which that day falls and the next two accounting periods.
- (4) If in an accounting period winnings at non-licensed bingo promoted by a person exceed £7,500, sub-paragraph (1) shall not apply in relation to the person in respect of that accounting period and the next two accounting periods.

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- (5) If stakes exceeding in aggregate £7,500 are hazarded in an accounting period at non-licensed bingo promoted by a person, sub-paragraph (1) shall not apply in relation to the person in respect of that accounting period and the next two accounting periods.
- (6) For the purposes of this paragraph winnings at bingo shall be valued in accordance with section 20(2) to (6).”.
- (4) After paragraph 2A of Schedule 3 to the Betting and Gaming Duties Act 1981 (c. 63) insert—

“Non-profit-making bingo

- 2B In calculating liability to bingo duty no account shall be taken of bingo to which there apply (without any exception or modification by virtue of regulations) both—
 - (a) section 3 of the Gaming Act 1968 or Article 56 of the Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985 (prohibition on charging for participation), and
 - (b) section 4 of that Act or Article 57 of that Order (prohibition of levy on stakes or winnings).”.
- (5) In paragraph 5(1) of Schedule 3 to the Betting and Gaming Duties Act 1981 (c. 63) (bingo duty: exemptions: commercial amusements) for “Bingo duty shall not be charged in respect of” substitute “ In calculating liability to bingo duty no account shall be taken of ”.
- (6) In paragraph 6 of Schedule 3 to that Act (bingo duty: exemptions: machine bingo) for “Bingo duty shall not be charged in respect of” substitute “ In calculating liability to bingo duty no account shall be taken of ”.
- (7) In paragraph 10(1) of Schedule 3 to that Act (notification and registration of bingo-promoters) for “which will, or may, be chargeable with bingo duty” substitute “ in connection with which bingo duty may be chargeable ”.
- (8) The following paragraphs of Schedule 3 to that Act shall cease to have effect—
 - (a) paragraph 11 (announcement of prizes),
 - (b) paragraph 12 (records), and
 - (c) paragraph 15 (disputes).
- (9) In paragraph 16(2) of Schedule 3 to that Act (enforcement)—
 - (a) for “(being bingo which is or may be chargeable with bingo duty)” substitute “ (being bingo in connection with which bingo duty may be chargeable) ”, and
 - (b) paragraph (b) (and the word “or” immediately before it) shall cease to have effect.
- (10) This section shall have effect in relation to bingo played on or after 27th October 2003 (with which day the first accounting period for the purposes of section 17 of the Betting and Gaming Duties Act 1981 shall begin).

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