



Betting and Gaming Duties Act 1981

1981 CHAPTER 63

PART I

BETTING DUTIES

General betting duty

1 General betting duty

- (1) Subject to the provisions of this Part of this Act, on any bet which—
 - (a) is made with a bookmaker in Great Britain otherwise than by way of pool betting or coupon betting, or
 - (b) is made by way of sponsored pool betting or is otherwise made by means of facilities provided by the Horserace Totalisator Board and is not a bet made with the Board by way of coupon betting, or
 - (c) is made on any event on a track to which this paragraph applies by means of a totalisator on that track and on the day on which that event takes place,there shall be charged a duty of excise to be known as general betting duty.
- (2) General betting duty shall—
 - (a) in the case of an on-course bet, be of an amount equal to 4 per cent, of the amount staked, and
 - (b) in the case of any other bet, be of an amount equal to 8 per cent, of the amount staked.
- (3) Paragraph (c) of subsection (1) above applies—
 - (a) to any track in respect of which there is for the time being in force a track betting licence granted under Schedule 3 to the Betting, Gaming and Lotteries Act 1963, and
 - (b) to any track which the Commissioners see fit to treat for the purposes of that paragraph as if it were such a track.

2 Payment and recovery of general betting duty

- (1) The general betting duty in respect of any bet shall, without prejudice to any regulations made under paragraph 2 of Schedule 1 to this Act, be due on the making of the bet and shall be paid—
 - (a) in the case of a bet with a bookmaker, and without prejudice to subsection (2) below, by the bookmaker;
 - (b) in the case of a bet made as mentioned in section 1(1)(b) of this Act, by the Horserace Totalisator Board or other person providing the facilities by means of which the bet is made ;
 - (c) in the case of such a bet made by means of a totalisator as is mentioned in section 1(1)(c) of this Act, by the operator.
- (2) The general betting duty chargeable on any bet made with a bookmaker shall be recoverable jointly and severally from all or any of the following persons—
 - (a) that bookmaker;
 - (b) the holder of the bookmaker's permit or betting office licence relating to the business in the course of which, or the premises at which, the bet was made; •
 - (c) any person responsible for the management of that business or those premises ;
 - (d) where the bookmaker is a company, any director of that company.

3 Allowance for hedging bets

- (1) Where it is shown to the satisfaction of the Commissioners that—
 - (a) a bookmaker has laid off the whole or any part of an on-course bet made with him by himself making a hedging bet, that is to say an on-course bet to which section 1(1) above applies and which is made in the course of the same meeting and on the same contingency as the first-mentioned bet; and
 - (b) both the bookmaker making and the person accepting the hedging bet have complied with such conditions as the Commissioners think fit to impose for the protection of the revenue,the first-mentioned bet shall, up to the amount staked on the hedging bet, be exempt from general betting duty and the Commissioners shall remit or repay duty accordingly.
- (2) No relief may be given under subsection (1) above by bringing any part of the amount staked on a hedging bet into account more than once.

4 Bets on more than one contingency

- (1) For the purposes of general betting duty, where a person bets on more than one contingency on the terms that, in the event of his bet being successful in respect of one contingency, his stake on the bet, or his winnings in respect of that contingency, or both, are to provide the stake in respect of another contingency, then, subject to subsection (2) below—
 - (a) he shall be treated as making a separate bet on each respectively of those contingencies and as staking on each of those separate bets the amount respectively provided for by the terms of the original bet;
 - (b) any of those separate bets which depends on the out come of another or others of them shall be treated as made if and when the conditions on which it depends are satisfied.

- (2) Subsection (1) above shall not apply where the person concerned bets on both or all of the contingencies at the same time and on the terms that both his original stake and the whole of his winnings in respect of any of those contingencies are to be the stake in respect of any other contingency on which the bet is made.

5 Calculation of stake

The aggregate amount paid by or debited to the account of a person making a bet chargeable with general betting duty for, or on account of, or in connection with, the bet shall be treated for the purposes of that duty as his stake on the bet, notwithstanding—

- (a) that his winnings (if any) are to be computed on part only of that amount, or
 - (b) that part of that amount is not to be returned to him in the event of his winning,
- and no deduction shall be made for other benefits secured by the person making the bet in paying that amount, or for the expenses of any person on account of the duty or otherwise, or for any other matter.

Pool betting duty

6 Pool betting duty

- (1) There shall be charged a duty of excise, to be known as pool betting duty—
- (a) subject to subsection (2) below, on all bets made by way of pool betting, wherever made, and
 - (b) on all bets made at fixed odds with the Horserace Totalisator Board or a bookmaker in Great Britain 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—
- (a) in the case of bets made by means of a totalisator, the totalisator is situated in Great Britain ;
 - (b) in the case of bets made otherwise than by means of a totalisator, the promoter of the betting is in Great Britain.
- (3) For the purposes of this section and sections 7 and 8 below (except in their application to coupon betting)—
- (a) 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 ;
 - (b) " bet" does not include the taking of a ticket or chance—
 - (i) in any lottery which is declared by section 3, 4 or 25(6) of the Lotteries and Amusements Act 1976 not to be unlawful; or
 - (ii) in any society's lottery or local lottery within the meaning of section 5 or 6 of that Act, in which the relevant monetary limits are not exceeded.
- (4) In subsection (3) above " relevant monetary limits " means the limits referred to in section 5(3)(d)(i) and subsections (2), (5), (6) and (8) of section 11 of the said Act

of 1976 as those sections have effect on 1st July 1981 or such other limits as the Commissioners may by order provide.

7 Amount of pool betting duty

- (1) The amount of the pool betting duty shall be equal in the case of pool competitions bets to 33| per cent, and in any other case to 40 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) For the purposes of subsection (1) above bets are pool competitions bets if they are made by way of pool betting in respect of a competition for prizes held by—
 - (a) the holder of a licence under the Pool Competitions Act 1971, or
 - (b) any person approved by the Secretary of State in that behalf on the recommendation of the Gaming Board for Great Britain.
- (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.

8 Payment and recovery of pool betting duty

- (1) Pool betting duty shall be paid—
 - (a) in the case of bets made by means of a 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.

General

9 Prohibitions for protection of revenue

- (1) Any person who—
- (a) conducts in Great Britain any business or agency for the negotiation, receipt or transmission of bets to which this section applies, or
 - (b) knowingly issues, circulates or distributes in Great Britain, or has in his possession for that purpose, any advertisement or other document inviting or otherwise relating to the making of such bets, or
 - (c) being a bookmaker in Great Britain, makes or offers to make any such bet with a bookmaker outside Great Britain,
- shall be guilty of an offence.
- (2) Except as mentioned in subsection (3) below, this section applies to—
- (a) all bets made by way of pool betting or coupon betting unless—
 - (i) in the case of bets made by means of a totalisator, the totalisator is situated in Great Britain,
 - (ii) in the case of bets made otherwise than by means of a totalisator, the promoter of the betting is in Great Britain; and
 - (b) all bets made with a bookmaker outside Great Britain (whether or not made by way of pool betting or coupon betting).
- (3) This section does not apply—
- (a) to any bet—
 - (i) made by way of pool betting or coupon betting and otherwise than by means of a totalisator, or
 - (ii) made with a bookmaker otherwise than by way of pool betting or coupon betting,where the promoter of the pool betting or coupon betting or, as the case may be, the bookmaker is in Northern Ireland or the Isle of Man and the bet is such as to be chargeable with a duty imposed by or under an Act of the Parliament of Northern Ireland or, as the case may be, of Tynwald which corresponds to,

and is chargeable on the bet at a rate not less than the appropriate rate of, pool betting duty or, as the case may be, general betting duty ; or

- (b) to any bet made by means of a totalisator situated in a country outside Great Britain on a horse race taking place in that country; or
- (c) to any bet in respect of an event taking place outside Great Britain made by a bookmaker in Great Britain—
 - (i) by means of a totalisator situated outside Great Britain, or
 - (ii) with a bookmaker outside Great Britain,

if it is shown that bets in respect of that event have been made in Great Britain with the first-mentioned bookmaker by other persons.

- (4) A person guilty of an offence under this section shall be liable—
 - (a) on summary conviction to a penalty of the prescribed sum or, in the case of a second or subsequent conviction, to a penalty of the prescribed sum or to imprisonment for a term not exceeding three months or to both, or
 - (b) on conviction on indictment to a penalty of any amount or, in the case of a second or subsequent conviction, to a penalty of any amount or to imprisonment for a term not exceeding one year or to both.
- (5) A person who makes or tries to make a bet, or who gets or tries to get any advertisement or other document given or sent to him, shall not be guilty of an offence by reason of his thereby procuring or inciting some other person to commit, or aiding or abetting the commission of, an offence under this section.
- (6) Section 6(3) above shall have effect for the purposes of subsections (2)(a) and (5) above (except in their application to coupon betting) as it has effect for the purposes of sections 6 to 8 above.

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

" totalisator odds " means—

- (a) in relation to a race which is a recognised horse race within the meaning of section 55(1) of the Betting, Gaming and Lotteries Act 1963, the odds paid on bets on that race made by way of sponsored pool betting, and
 - (b) in relation to any other event, the odds paid on bets made by means of a totalisator at the scene of the event.
- (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.
- (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.

11 Definition of coupon betting

—For the purposes of this Part of this Act, bets shall be deemed to be made by way of coupon betting where they are made in pursuance of an invitation which offers stated odds for a choice of bets, being bets of a description not commonly made without such an invitation, unless made by way of pool betting, and not of a description commonly made by means of a totalisator.

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 (except in sections 6, 7, 8, 9(2)(a) and 9(5) in their application to coupon betting), 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—

" meeting " means any occasion on any one day on which events take place on any track ;

Status: This is the original version (as it was originally enacted).

" on-course bet" means a bet made in the course of a meeting, either by means of a totalisator situated on premises forming part of the track or with a bookmaker present at the meeting, where—

(a) the person making the bet (that is to say, the person originating the bet and not any agent or intermediary) is present at the meeting, or

(b) the bet is made by a person carrying on a bookmaking business acting as principal (and not acting as agent for, or on behalf of, some other person);

" 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 ;

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

and " betting office licence ", " bookmaker ", " bookmaker's permit", "bookmaking", "sponsored pool betting", "totalisator " and " track " have the same meanings respectively as in section 55(1) of the Betting, Gaming and Lotteries Act 1963.

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