



Finance Act 2014

2014 CHAPTER 26

PART 3

GENERAL BETTING DUTY, POOL BETTING DUTY AND REMOTE GAMING DUTY

CHAPTER 3

REMOTE GAMING DUTY

154 Remote gaming

- (1) For the purposes of this Part “remote gaming” is gaming in which persons participate by the use of—
 - (a) the internet,
 - (b) telephone,
 - (c) television,
 - (d) radio, or
 - (e) any other kind of electronic or other technology for facilitating communication.
- (2) Remote gaming is “pooled prize gaming” for the purposes of this Part if all or any part of the gaming payment is assigned by or on behalf of the gaming provider to a fund (referred to in this Part as a “gaming prize fund”) from which prizes are to be provided to participants in the gaming.
- (3) Remote gaming is “ordinary gaming” for the purposes of this Part if it is not pooled prize gaming.
- (4) The Treasury may by regulations—
 - (a) amend the definition of “remote gaming” in subsection (1), and
 - (b) make such consequential amendments of section 17(2A) of BGDA 1981 (cases in which bingo duty is not charged on bingo played by means of remote communication) as appear to the Treasury to be necessary.

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(5) Nothing in subsection (4)(b) affects the generality of section 194(1).

155 Remote gaming duty

- (1) A duty of excise, to be known as remote gaming duty, is charged on a chargeable person's participation in remote gaming under arrangements (whether or not enforceable) between the chargeable person and another person (referred to in this Part as a “gaming provider”).
- (2) In this Part “chargeable person” means—
 - (a) any UK person, and
 - (b) any body corporate not legally constituted in the United Kingdom if the person with whom the arrangements mentioned in subsection (1) are made knows, or has reasonable cause to believe, that at least one potential beneficiary of any prizes from remote gaming under the arrangements is a UK person.
- (3) Remote gaming duty is chargeable at the rate of [^{F1}21%] of the gaming provider's profits on remote gaming for an accounting period.
- (4) The gaming provider's profits on remote gaming for an accounting period are the aggregate of—
 - (a) the amount of the provider's profits for the period in respect of pooled prize gaming (calculated in accordance with section 156),
 - (b) the amount of the provider's profits for the period in respect of ordinary gaming (calculated in accordance with section 157), and
 - (c) the amount of the provider's profits for the period in respect of retained prizes (calculated in accordance with section 158).
- (5) Where the calculation for an accounting period under subsection (4) produces a negative amount—
 - (a) the gaming provider's profits on remote gaming for the accounting period are treated as nil, and
 - (b) the amount produced by the calculation may be carried forward in reduction of the gaming provider's profits on remote gaming for one or more later accounting periods.

Textual Amendments

- F1** Word in s. 155(3) substituted (with effect in accordance with s. 62(2) of the amending Act) by [Finance Act 2019 \(c. 1\), s. 62\(1\)](#)

156 Profits on pooled prize gaming

- (1) Take the following steps to calculate the amount of a gaming provider's profits for an accounting period in respect of pooled prize gaming.
 - Step 1* Take the aggregate of the relevant gaming payments made to the provider in the accounting period and deduct the aggregate of any of those payments that are assigned by or on behalf of the provider to gaming prize funds during the period.
 - Step 2* If in the accounting period any amount contained in a gaming prize fund to which relevant gaming payments have been assigned by or on behalf of the

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provider is used otherwise than to provide prizes to participators in pooled prize gaming, multiply each amount so used in the accounting period by the relevant proportion that applies in relation to it.

Step 3 Add the aggregate of the amounts calculated under Step 2 to the amount calculated under Step 1.

Step 4 If in the accounting period any top-up payment is assigned to a gaming prize fund by the gaming provider, multiply the amount of each top-up payment so assigned in the accounting period by the appropriate proportion that applies in relation to it.

Step 5 Subtract the aggregate of the amounts calculated under Step 4 from the amount calculated under Step 3.

- (2) For the purposes of Step 2 the relevant proportion, in relation to any amount which is used otherwise than to provide prizes, is—
- (a) if the amount relates to a specific game of chance, the proportion of that amount that consists of relevant gaming payments made to the provider in respect of that game,
 - (b) if the amount does not relate to a specific game of chance but relates to amounts assigned to the fund during a specific period, the proportion of that amount that consists of relevant gaming payments assigned to the fund by or on behalf of the provider during that period, and
 - (c) in any other case, the proportion of the total amount contained in the fund immediately before the amount is so used which consists of relevant gaming payments assigned to the fund by or on behalf of the provider.
- (3) For the purposes of Step 4—
- (a) a top-up payment is assigned to a gaming prize fund if the gaming provider assigns an amount (other than a gaming payment) to the fund to satisfy a guarantee given by the gaming provider that prizes of a specified minimum amount will be available in respect of gaming under arrangements made with the provider, and
 - (b) the appropriate proportion, in relation to such a top-up payment, is the proportion determined in accordance with a notice published by the Commissioners.
- (4) A notice under subsection (3)(b) may provide for top-up payments to be ignored for the purposes of Step 4 in a specified case or class of cases.
- (5) In this section “relevant gaming payment” means a gaming payment in respect of pooled prize gaming.

157 Profits on ordinary gaming

- (1) To calculate the amount of a gaming provider's profits for an accounting period in respect of ordinary gaming—
- (a) take the aggregate of the gaming payments made to the provider in the accounting period in respect of ordinary gaming, and
 - (b) subtract the amount of the provider's expenditure for the period on prizes in respect of such gaming.
- (2) The amount of the gaming provider's expenditure on prizes for an accounting period in respect of ordinary gaming is the aggregate of the value of prizes provided by or on

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behalf of the provider in that period which have been won (at any time) by chargeable persons participating in ordinary gaming.

158 Profits on retained prizes

- (1) The amount of a gaming provider's profits for an accounting period in respect of retained prizes is the aggregate of the amounts which cease to be qualifying amounts during the accounting period.
- (2) An amount is a qualifying amount for the purposes of this section if, as a result of a person ("P") being notified as mentioned in section 160(1), it has been taken into account in calculating the provider's profits for any accounting period under section 156 or 157.
- (3) An amount ceases to be a qualifying amount for the purposes of this section if, otherwise than by virtue of being withdrawn by P as mentioned in section 160(1), P ceases to be entitled to withdraw it.
- (4) The Commissioners may by notice published by them direct that subsection (3) is not to apply in a specified case or class of cases.

159 Gaming payments

- (1) Where a chargeable person participates in remote gaming, the "gaming payment" for the purposes of this Chapter is the aggregate of—
 - (a) any amount that entitles the person to participate in the gaming, and
 - (b) any other amount payable for or on account of or in connection with the person's participation in the gaming.
- (2) If the gaming payment is made to a person other than the gaming provider, it is to be treated for the purposes of this Chapter as made to the gaming provider.
- (3) If the gaming payment has not been made at the time when the chargeable person begins to participate in the remote gaming to which it relates, it is to be treated for the purposes of this Chapter as being made at that time.
- [^{F2}(4) For the purposes of this Chapter—
 - (a) where the chargeable person participates in the remote gaming in reliance on an offer which waives all of a gaming payment, the person is to be treated as having made a gaming payment of the amount which would have been required to be paid without the offer ("the full amount"), and
 - (b) where the chargeable person participates in the remote gaming in reliance on an offer which waives part of a gaming payment, the person is to be treated as having made an additional gaming payment of the difference between the gaming payment actually made and the full amount.
- (5) Where a person is treated by subsection (4) as having made a gaming payment, the payment is to be treated for the purposes of this Chapter—
 - (a) as having been made to the gaming provider at the time when the chargeable person begins to participate in the remote gaming to which it relates, and
 - (b) as not having been—
 - (i) returned, or
 - (ii) assigned to a gaming prize fund.

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- (6) The Commissioners may by regulations make further provision about how a gaming payment which a person is treated as having made under subsection (4) is to be treated for the purposes of this Chapter.
- (7) This section has effect subject to section 159A.]

Textual Amendments

- F2** S. 159(4)-(7) substituted for s. 159(4) (with effect in accordance with s. 46(9) of the amending Act) by Finance (No. 2) Act 2017 (c. 32), s. 46(2)

[^{F3}159A Play using the results of successful freeplay

- (1) Where a chargeable person participates in remote gaming, an amount is not to be taken into account in determining the “gaming payment” (if any) under section 159 so far as the amount is paid out of money in relation to which the first and second conditions are met (“excluded winnings”).
- (2) The first condition is that the money has been won by participation in the gaming either—
 - (a) in reliance on an offer which waives all or part of a gaming payment, or
 - (b) in a case where the gaming payment was paid out of money in relation to which this condition and the second condition were met.
- (3) The second condition is that the chargeable person is not entitled to use the money otherwise than for the purpose of participation in the gaming.
- (4) Subsection (5) applies where—
 - (a) a chargeable person participates in remote gaming in reliance on an offer which waives all or part of a gaming payment, and
 - (b) that offer has been won in the course of the person's participation in the gaming (and the person was not given the choice of receiving a different benefit instead of the offer).
- (5) The amount which would, apart from this subsection, be treated by section 159(4)(a) or (b) as a gaming payment (or additional gaming payment) is not to be so treated.
- (6) For the purposes of this section, where a payment is made out of moneys which include both excluded winnings and money which is not excluded winnings (the “other funds”), the payment is not taken to be made out of excluded winnings except so far as the amount of the payment exceeds the amount of those other funds.
- (7) In this section “money” includes any amount credited and any other money's worth.]

Textual Amendments

- F3** S. 159A inserted (with effect in accordance with s. 46(9) of the amending Act) by Finance (No. 2) Act 2017 (c. 32), s. 46(3)

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160 Prizes

- (1) A reference in section 156 or 157 to providing a prize to a person includes a reference to crediting money to an account [^{F4}only] if the person is notified that—
- (a) the money is being held in the account, and
 - (b) the person is entitled to withdraw it on demand.

^{F5}(2)

- (3) The return of all or part of a gaming payment is to be treated for the purposes of sections 156 and 157 as the provision of a prize [^{F6}(but where a gaming payment is returned by being credited to an account this subsection has effect subject to subsection (1))].

- (4) Where a prize is obtained by or on behalf of a gaming provider from a person not connected with the person who obtains the prize, the cost to the person who obtains the prize is to be treated as the expenditure on the prize for the purposes of sections 156 and 157.

- (5) 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 (4),
- the specified amount is the value of the voucher for the purposes of sections 156 and 157.

- (6) Where a prize is a voucher (whether or not it falls within subsection (4)) no expenditure is to be treated as having been incurred on the prize for the purposes of sections 156 and 157 if—

- (a) it does not satisfy subsection (5)(a) and (b), or
- (b) its use as described in subsection (5)(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 (5)(b).

- (7) In the case of a prize which is neither money nor a voucher and which does not fall within subsection (4), the expenditure on the prize for the purposes of sections 156 and 157 is—

- (a) the amount which the prize would cost if obtained from a person not connected with the person who provides it, or
- (b) where no amount can reasonably be determined in accordance with paragraph (a), nil.

- (8) For the purposes of this section—

- (a) a reference to connection between two persons is to be construed in accordance with section 1122 of CTA 2010 (connected persons), and
- (b) an amount paid by way of value added tax on the acquisition of a thing is to 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).

[^{F7}(9) This section has effect subject to section 160A.]

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Textual Amendments

- F4** Word in s. 160(1) inserted (with effect in accordance with s. 46(9) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 46\(4\)\(a\)](#)
- F5** S. 160(2) omitted (with effect in accordance with s. 46(9) of the amending Act) by virtue of [Finance \(No. 2\) Act 2017 \(c. 32\), s. 46\(4\)\(b\)](#)
- F6** Words in s. 160(3) inserted (with effect in accordance with s. 46(9) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 46\(4\)\(c\)](#)
- F7** S. 160(9) inserted (with effect in accordance with s. 46(9) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 46\(4\)\(d\)](#)

[^{F8}160A Prizes: freeplay

- (1) Where a prize is a freeplay offer (whether or not in the form of a voucher) which does not fall within section 160(4)—
 - (a) for the purposes of sections 156 and 157, the expenditure on the prize is nil, and
 - (b) subsections (5) to (7) of section 160 do not apply in relation to the prize.
- (2) Where a prize is a voucher which gives the recipient a choice of using it in place of money for freeplay or as whole or partial payment for another benefit, section 160(5)(b) has effect as if after “used” there were inserted “ if it is used as payment for a benefit other than freeplay ”.
- (3) In this section—

“freeplay” means participation, in reliance on a freeplay offer, in—

 - (a) remote gaming, or
 - (b) an activity in respect of which a gambling tax listed in section 161(4) is charged;

“freeplay offer” means an offer which waives all or part of—

 - (a) a gaming payment, or
 - (b) a payment in connection with participation in an activity in respect of which a gambling tax listed in section 161(4) is charged.]

Textual Amendments

- F8** [S. 160A](#) inserted (with effect in accordance with s. 46(9) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\), s. 46\(5\)](#)

161 Exemptions

- (1) Remote gaming duty is not charged on participation by a chargeable person in remote gaming if—
 - (a) the arrangements between the chargeable person and the gaming provider are not entered into in or from the United Kingdom, and
 - (b) the facilities used to participate in the gaming are not capable of being used in or from the United Kingdom.
- (2) Remote gaming duty is not charged on participation by a chargeable person in remote gaming so far as the remote gaming—

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- (a) is charged with another gambling tax, or
 - (b) would be charged with another gambling tax but for an express exception.
- (3) Subsection (2)(b)—
- (a) does not prevent remote gaming duty being charged where the remote gaming in question is the playing of bingo which is not licensed bingo (as to the meaning of which terms see section 20C of BGDA 1981), and
 - (b) does not apply in cases where the other gambling tax is machine games duty.
- (4) In this section “gambling tax” means—
- (a) machine games duty,
 - (b) bingo duty,
 - (c) gaming duty,
 - (d) general betting duty,
 - (e) lottery duty, and
 - (f) pool betting duty.
- (5) The Treasury may by regulations—
- (a) confer an exemption from remote gaming duty, or
 - (b) remove or vary (whether or not by textual amendment) an exemption under this section.
- (6) In calculating a gaming provider's profits on remote gaming for an accounting period, no account is to be taken of gaming payments, assignments of amounts to a pool or expenditure on prizes so far as they relate to remote gaming to which an exemption applies as a result of this section or regulations under it.

162 Liability to pay

- (1) A gaming provider is liable for any remote gaming duty charged on the provider's profits on remote gaming for an accounting period.
- (2) If the gaming provider is a body corporate, the provider and the provider's directors are jointly and severally liable for any remote gaming duty charged on the provider's profits on remote gaming for an accounting period.
- (3) Remote gaming duty which is charged on the gaming provider's profits on remote gaming for an accounting period may be recovered from the holder of a remote operating licence for the business in the course of which the gaming took place as if the holder of the licence and the provider were jointly and severally liable to pay the duty.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 212(4)(f) and word inserted by [2021 c. 26 Sch. 27 para. 43\(b\)\(ii\)](#)
- s. 212(5)(a)(iv) and word inserted by [2021 c. 26 Sch. 27 para. 43\(c\)\(ii\)](#)
- s. 212(5)(b)(iv) and word inserted by [2021 c. 26 Sch. 27 para. 43\(c\)\(iv\)](#)
- s. 212(5)(c)(iv) and word inserted by [2021 c. 26 Sch. 27 para. 43\(c\)\(v\)](#)
- Sch. 31 para. 2(3)(b) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(iii\)](#)
- Sch. 31 para. 2(4A) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(c\)](#)
- Sch. 31 para. 3(1A) inserted by [2017 c. 32 Sch. 14 para. 45\(3\)\(b\)](#)
- Sch. 31 para. 5(b) inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(c\)](#)
- Sch. 31 para. 2(3)(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(ii\)](#)
- Sch. 31 para. 5(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(b\)](#)
- Sch. 31 para. 2(3)(a) words renumbered as Sch. 31 para. 2(3)(a) by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(i\)](#)
- Sch. 31 para. 5(a) words renumbered as Sch. 31 para. 5(a) by [2017 c. 32 Sch. 14 para. 45\(4\)\(a\)](#)
- Sch. 32 para. 1(2)(b) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(iii\)](#)
- Sch. 32 para. 1(3A) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(c\)](#)
- Sch. 32 para. 1(2)(a) words inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(ii\)](#)
- Sch. 32 para. 1(2)(a) words renumbered as Sch. 32 para. 1(2)(a) by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(i\)](#)