



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 [^{F1}which is not an on-course bet and] which—
 - (a) is made with a bookmaker in [^{F2}the United Kingdom] 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)^{F3}
 - (b)^{F3}, 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 ^{M1}Betting, Gaming and Lotteries Act 1963 [^{F4}or Article 37 of the ^{M2}Betting, Gaming, Lotteries and Amusements (Northern Ireland) Order 1985], 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.

Status: Point in time view as at 01/02/1991. This version of this cross heading contains provisions that are not valid for this point in time.

Changes to legislation: Betting and Gaming Duties Act 1981, Cross Heading: General betting duty is up to date with all changes known to be in force on or before 24 September 2023. 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)

Textual Amendments

- F1** Words inserted by [Finance Act 1987 \(c. 16, SIF 12:2\)](#), **s. 3(1)(a)**
- F2** Words substituted by [Finance Act 1986 \(c. 41, SIF 12:2\)](#), s. 6, **Sch. 4 para. 1(1)**
- F3** Words repealed by [Finance Act 1987 \(c. 16, SIF 12:2\)](#), ss. 3(1)(b), 72(7), **Sch. 16 Pt. II** Note 1
- F4** Words inserted by [Finance Act 1986 \(c. 41, SIF 12:2\)](#), s. 6, **Sch. 4 para. 1(2)**

Marginal Citations

- M1** [1963 c. 2\(12:1\)](#).
- M2** [S.I. 1985/1204 \(N.I. 11\)](#).

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.

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Textual Amendments

- F5** [S. 3](#) repealed by [Finance Act 1987 \(c. 16, SIF 12:2\)](#), s. 72(7), **Sch. 16 Pt. II** Note 1

4 Bets of 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;

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- (b) any of those separate bets which depends on the outcome 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.

VALID FROM 10/07/2003

^{F6} ^{F7}5AA **Relief for losses**

- (1) This section applies where the amount of a person's net stake receipts for an accounting period in respect of a class of bets (calculated in accordance with section 5(1)) 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 stake receipts in respect of the same class of bets for that period.
- (3) If the amount of those net stake 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 stake receipts for that period in respect of the same class of bets.

Textual Amendments

- F6** 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**
- F7** S. 5AA inserted (with application as mentioned in s. 6(6) of the amending Act) by **Finance Act 2003 (c. 14), s. 6(3)**

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VALID FROM 10/07/2003

I **Betting exchanges**

F8 **5AB**

- (1) This section applies where—
 - (a) one person makes a bet with another person using facilities provided by a third person in the course of a business, and
 - (b) that business is one that does not involve the provision of premises for use by persons making or taking bets.
- (2) General betting duty shall be charged on the amounts (“commission charges”) that the parties to the bet are charged, whether by deduction from winnings or otherwise, for using those facilities.
- (3) No deductions shall be allowed from commission charges.
- (4) The amount of duty charged under this section in respect of bets determined in an accounting period shall be 15 per cent of the commission charges relating to those bets.
- (5) For the purposes of this section, and section 5B(4) so far as relating to this section, a person who arranges for facilities relating to a bet to be provided by another person shall be treated as providing them himself (and the other person shall not).]]

Textual Amendments

- F6** 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](#)
- F7** S. 5AA inserted (with application as mentioned in [s. 6\(6\)](#) of the amending Act) by [Finance Act 2003 \(c. 14\), s. 6\(3\)](#)
- F8** S. 5AB inserted (with application as mentioned in [s. 7\(5\)\(6\)](#) of the amending Act) by [Finance Act 2003 \(c. 14\), s. 7\(2\)](#)

VALID FROM 06/10/2001

F9 **5A Multiple bets**

- (1) Subject to subsection (3), this section applies where—
 - (a) a person bets on more than one contingency, and
 - (b) he bets on terms that if his bet in respect of one contingency is successful the stake or winnings will be carried forward as the stake in respect of another contingency.
- (2) Where this section applies—
 - (a) the person mentioned in subsection (1)(a) shall be treated for the purposes of sections 2 to 4 as making a separate bet on each contingency, and
 - (b) each bet which depends on the result of an earlier bet shall be treated as being made at the time of that result.
- (3) This section does not apply where a person bets on more than one contingency if—

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- (a) the betting takes the form of a single bet or of bets placed at a single time, and
 - (b) the terms mentioned in subsection (1) do not permit the arrangement for carrying forward to be varied or terminated.
- (4) In subsection (1)(b) the reference to “the stake or winnings” includes a reference to—
- (a) any part of the stake,
 - (b) any part of the winnings, and
 - (c) any combination of stake and winnings.

Textual Amendments

- F9** 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**

VALID FROM 06/10/2001

F10 5B Liability to pay

- (1) At the end of each accounting period all general betting duty chargeable in respect of bets made in the period shall become due.
- (2) In the case of bets made with a bookmaker in an accounting period the general betting duty shall be paid—
 - (a) when it becomes due, and
 - (b) by the bookmaker.
- (3) But general betting duty which is due to be paid by a bookmaker in respect of bets may be recovered from the following persons as if they and the bookmaker were jointly and severally liable to pay the duty—
 - (a) the holder of a bookmaker’s permit for the business in the course of which the bets were made;
 - (b) a person responsible for the management of that business;
 - (c) where the bookmaker is a company, a director.
- (4) In the case of bets made in an accounting period by means of facilities provided by a person as described in section 4(1) to (3) the general betting duty shall be paid—
 - (a) when it becomes due, and
 - (b) by the person who provides the facilities.
- (5) This section is without prejudice to paragraph 2 of Schedule 1 to this Act or regulations made under it.

Textual Amendments

- F10** 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**

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VALID FROM 06/10/2001

F115C Bet-brokers

- (1) This section applies where—
 - (a) one person (the “bettor”) makes a bet with another person (the “bet-taker”) using facilities provided in the course of a business by a third person (the “bet-broker”), or
 - (b) one person (the “bet-broker”) in the course of a business makes a bet with another person (the “bet-taker”) as the agent of a third person (the “bettor”) (whether the bettor is a disclosed principal or an undisclosed principal).
- (2) For the purposes of sections 2 to 5B—
 - (a) the bet shall be treated as if it were made by the bettor with the bet-broker and not with the bet-taker,
 - (b) the bet-broker shall be treated as a bookmaker in respect of the bet,
 - (c) the aggregate of amounts due to be paid by the bettor in respect of the bet shall be treated as being due to the bet-broker, and
 - (d) a sum paid by the bet-taker by way of winnings in respect of the bet shall be treated as having been paid by the bet-broker at that time and for that purpose.
- (3) But subsection (2) does not apply to a bet if—
 - (a) the bet-taker holds a bookmaker’s permit, and
 - (b) the bet would not be an on-course bet if the bet-broker were making the bet with the bet-taker as principal.
- (4) In the case of a bet which is excluded from subsection (2) by virtue of subsection (3), for the purposes of sections 2 to 5B—
 - (a) the bet shall be treated as if it were made separately by the bettor with the bet-broker and by the bet-broker with the bet-taker,
 - (b) the bet-broker shall be treated as a bookmaker in respect of the bet,
 - (c) the aggregate of amounts due to be paid by the bettor in respect of the bet shall be treated as being due separately to the bet-broker and to the bet-taker (and any amount due to be paid by the bet-broker to the bet-taker shall be disregarded), and
 - (d) a sum paid by the bet-taker by way of winnings in respect of the bet shall be treated as having been paid separately by the bet-taker and by the bet-broker at that time and for that purpose (and any sum paid by the bet-broker shall be disregarded).
- (5) This section does not apply—
 - (a) to bets made by way of pool betting, or
 - (b) to bets made using facilities provided by a person holding (and relying on) a betting agency permit (within the meaning of section 9(2)(c)(ii) of the Betting, Gaming and Lotteries Act 1963).
- (6) Where there is any doubt as to which of two persons is the bettor and which the bet-taker for the purposes of subsection (1)(a), whichever of the two was the first to use the facilities of the bet-broker to offer the bet shall be treated as the bet-taker.

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Textual Amendments

- F11** 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**

VALID FROM 06/10/2001

^{F12}**5D Accounting period**

- (1) For the purposes of sections 2 to 5C—
- (a) each calendar month is an accounting period, but
 - (b) the Commissioners may provide in regulations under paragraph 2 of Schedule 1 to this Act for some other specified period to be an accounting period.
- (2) Regulations made by virtue of subsection (1)(b) may—
- (a) make provision which 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

- F6** 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**
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