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STATUTORY INSTRUMENTS

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**1997 No. 1075**

**DEREGULATION**

**The Deregulation (Casinos and Bingo Clubs: Debit Cards) Order 1997**

*Made* - - - - 22nd March 1997

*Coming into force* - - 19th April 1997

Whereas—

- (a) the Secretary of State is of the opinion that certain provisions of the Gaming Act 1968(1), which are the subject of this Order, impose burdens affecting persons in the carrying on of a trade, business, profession or otherwise and that by amending or repealing the provisions concerned and by making certain other provision it is possible to remove or reduce the burdens without removing any necessary protection;
- (b) he has consulted such organisations as appear to him to be representative of interests substantially affected by his proposals and such other persons as he considers appropriate;
- (c) it appears to the Secretary of State that it is appropriate, following that consultation, to proceed with the making of this Order;
- (d) a document setting out the Secretary of State's proposals has been laid before Parliament in accordance with section 3 of the Deregulation and Contracting Out Act 1994(2) and the period for Parliamentary consideration under section 4 of that Act has expired;
- (e) the Secretary of State has had regard to the representations made during that period;
- (f) a draft of this Order has been laid before Parliament with a statement giving details of such representations and the changes to the Secretary of State's proposals in the light of those representations; and
- (g) a draft of this Order has been approved by resolution of each House of Parliament.

Now, therefore, the Secretary of State, in exercise of the powers conferred on him by section 1 of the Deregulation and Contracting Out Act 1994, hereby makes the following Order:

**Citation, commencement and extent**

**1.—(1)** This Order may be cited as the Deregulation (Casinos and Bingo Clubs: Debit Cards) Order 1997 and shall come into force 28 days after the day on which it is made.

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(1) 1968 c. 65.  
(2) 1994 c. 40.

- (2) This Order does not extend to Northern Ireland.

## **Interpretation**

2. In this Order “the 1968 Act” means the Gaming Act 1968.

## **Amendments enabling the use of debit cards in casinos and bingo clubs**

- 3.—(1) Section 16 of the 1968 Act<sup>(3)</sup> shall be amended as follows.

- (2) In subsection (1), for the words “(2) and (2A)” there shall be substituted “(2) to (2A)”.

- (3) After subsection (2) there shall be inserted—

“(2ZA) Neither the holder of the licence nor any person acting on his behalf or under any arrangement with him shall accept a debit card payment and give in exchange for it cash or tokens for enabling any person to take part in the gaming unless the following conditions are fulfilled, that is to say—

- (a) the payment is exchanged for cash to an amount equal to the amount of the payment, or is exchanged for tokens at the same rate as would apply if cash, to the amount of the payment, were given in exchange for them, and
- (b) the payment has been authorised by the holder of the card and by or on behalf of the issuer of the card;

but where those conditions are fulfilled, the giving of cash or tokens in exchange for a debit card payment shall not be taken to contravene subsection (1) above.”.

- (4) In subsection (2A)—

- (a) in paragraph (a) and in the words following paragraph (d) the words “or a debit card payment,” shall be inserted after the words “substitute cheque,”;
- (b) the word “and” shall be omitted at the end of paragraph (c); and
- (c) the following shall be inserted at the end of paragraph (d)—

“and

- (e) where a debit card payment is given in whole or in part exchange for the redeemed cheque, the payment has been authorised by the holder of the card and by or on behalf of the issuer of the card;”.

- (5) There shall be inserted, after subsection (3A), the following subsection—

“(3B) Where the holder of a licence under this Act, or a person acting on behalf of or under any arrangement with the holder of such a licence, accepts a debit card payment in exchange for cash or tokens to be used by a player in gaming to which this Part of this Act applies, or a substitute debit card payment, he shall not more than two banking days later do whatever is required under his arrangements with the issuer of the card to secure that he is credited with the amount of the payment.”.

- (6) In subsection (4)—

- (a) the words “or debit card payment” shall be inserted after “any cheque”; and
- (b) the words “or substitute debit card payment” shall be inserted after “substitute cheque”.

- (7) In subsection (5)—

- (a) the following definitions shall be inserted before the definition of “playing session”—  
““debit card” means a card which may be used as a means of payment under arrangements which do not provide for the extension of credit to the cardholder, but

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(3) As amended by the Gaming (Amendment) Act 1986 (1986 c. 11).

provide for amounts paid by means of the card to be debited to a specified account in his name (or in his name jointly with one or more others);

“debit card payment” means a payment by means of a debit card;” and

(b) the following definition shall be inserted after the definition of “substitute cheque”—

““substitute debit card payment” means a debit card payment accepted in accordance with subsection (2A) of this section by either the holder of a licence under this Act or a person acting on behalf of or under any arrangement with the holder of such a licence”.

4. Section 22(1)(b) of the Gaming Act 1968(4) shall be amended as follows—

- (a) the words “and debit card payments (within the meaning of section 16 of this Act)” shall be inserted after the words “with respect to cheques”;
- (b) for the words “and substitute cheques” there shall be substituted the words “substitute cheques and substitute debit card payments”; and
- (c) for the words “section 16 of this Act” there shall be substituted “that section”.

Home Office  
22nd March 1997

*Timothy Kirkhope*  
Parliamentary Under-Secretary of State

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(4) As amended by the Gaming (Amendment) Act 1986.

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order removes a burden from the casino industry and from bingo clubs by permitting casinos and bingo clubs to accept payments by debit cards for cash or tokens to be used in gaming.

Articles 1 and 2 provide for citation, commencement, extent and interpretation.

Article 3 amends section 16 of the Gaming Act 1968 to permit the acceptance in casinos and bingo clubs of payments by debit cards (as defined) for cash or tokens to be used in gaming. Certain conditions must be met which are designed to ensure that such payments are not used as a means whereby the casino or bingo club indirectly gives credit. The amendments made also permit debit card payments to be used as a means of redeeming cheques, previously given to a casino or bingo club in return for cash or tokens to be used in gaming, subject to similar conditions.

Article 4 amends section 22 of the Gaming Act 1968 so as to enable the making of regulations requiring the keeping of records of payments by debit cards accepted under section 16.