

**EXPLANATORY MEMORANDUM TO**  
**THE GAMING DUTY (AMENDMENT) REGULATIONS 2007**

**2007 No. 2167**

**1.** This explanatory memorandum has been prepared by Her Majesty's Revenue and Customs and is laid before the House of Commons by Command of Her Majesty.

**2. Description**

This instrument amends regulation 5 of the Gaming Duty Regulations 1997 (S.I 1997/2196) ("the principal Regulations") by bringing payments on account into line with new bands of gross gaming yield introduced by the Finance Act 2007 (c. 11).

**3. Matters of special interest to the Select Committee on Statutory Instruments**

None

**4. Legislative Background**

4.1 Section 11 of the Finance Act 1997 (c.16) ("FA 1997") prescribes how gaming duty must be calculated for each six-month accounting period. It is calculated by applying the rates specified in the Table in section 11(2) to the gross gaming yield. Increasing rates apply to each band of gross gaming yield.

4.2 Regulation 5 of the principal Regulations provides for the quarterly payment of gaming duty by making provision for payments on account half way through every accounting period. These payments are calculated by applying the rates contained in the Table in that regulation to the gross gaming yield for that period. Again increasing rates apply to each band of gross gaming yield.

**5. Territorial Extent and Application**

This instrument applies to all of the United Kingdom.

**6. European Convention on Human Rights**

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

**7. Policy background**

7.1 The bands of gross gaming yield were increased in line with inflation and re-structured by section 7 of the Finance Act 2007 (which aggregates the parts of gross gaming yield formerly subject to rates of 2½% and 12½% and subjects the new, re-valourised part to a single rate of 15%, and introduces a new top rate of 50%). Section 7 substituted a revised Table in section 11(2) FA1997.

7.2 Each time the bands for the six monthly accounting periods are increased it has been the practice to increase the bands for the three monthly payments on account to ensure that those payments continue to be roughly half of the amount of gaming duty due in an accounting period. The bands were last amended by the Gaming Duty (Amendment) Regulations 2006 (S.I. 2006/1999).

## **8. Impact**

8.1 An Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies

8.2 The impact on the public sector is negligible.

## **9. Contact**

Ian Ayre at Her Majesty's Revenue and Customs Tel: 0161 827 0306 or e-mail: [ian.ayre@hmrc.gsi.gov.uk](mailto:ian.ayre@hmrc.gsi.gov.uk) can answer any queries regarding the instrument.

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