
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2012, Paragraph 7. (See end of Document for details)

SCHEDULES

SCHEDULE 24 **U.K.**

MACHINE GAMES DUTY

PART 1 **U.K.**

IMPOSITION OF DUTY

Net takings per machine

- 7 (1) A taxable person's net takings in an accounting period for a relevant machine are—
- (a) the takings, less
 - (b) the payouts.
- (2) The takings are the charges that become due at any material time from players for playing dutiable machine games on that machine (irrespective of when the games are played or the prizes are paid out).
- (3) The payouts are the prizes (whether cash or non-cash) that are paid out at any material time to players as a result of playing dutiable machine games on that machine (irrespective of when the games are played or the charges become due).
- (4) Sub-paragraph (3) does not include prizes paid out to—
- (a) a person who is a registrable person in respect of the premises where the machine is located,
 - (b) a representative or employee of such a person at those premises, or
 - (c) a person acting for or at the direction of a person within paragraph (a).
- (5) Sub-paragraph (3) does not include prizes paid out unlawfully (for example, a prize paid out to a child or young person in breach of a condition attached to an operating licence by virtue of section 83(1)(b) of the Gambling Act 2005).
- (6) If it is not reasonably practicable to attribute charges and prizes to dutiable machine games or to apportion them between dutiable machine games and other games or other activities, any attribution or apportionment is to be done on a just and reasonable basis.
- (7) “Material time” means any time in the accounting period when the person is liable for machine games duty in respect of the machine.
- (8) The Commissioners may by regulations make provision about the point in time at which a charge is taken to become due, or a prize is taken to be paid out, for the purposes of this paragraph.
- (9) If a machine game is played in pursuance of an offer that permits the player to pay nothing or less than the charge that the player would be required to pay without the offer, the charge (if any) is treated as becoming due when the player plays the game.

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- (10) A prize that is paid out using a system involving redemption tickets, points or anything similar is taken to be paid out when the prize is redeemed (rather than when the means of redemption is issued or communicated to the winner).
- (11) Sub-paragraphs (9) and (10) do not limit the power in sub-paragraph (8).

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