

# **GAMBLING (LICENSING AND ADVERTISING) ACT 2014**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### ***Section 1: Licensing of remote gambling***

18. **Section 1(2)** extends the category of remote gambling operators who will need a licence from the Gambling Commission. An operator will need a licence from the Gambling Commission if their gambling facilities are used in Great Britain (even if no equipment is located here) and the operator knows, or should know, that the facilities are being used or are likely to be used in Great Britain. If the operator does not obtain a remote gambling licence, they will be committing an offence under section 33 of the 2005 Act.
19. For example, an overseas-based operator who makes remote gambling facilities available on the internet will need to obtain an operating licence from the Commission if their website is used in Great Britain and the operator knows, or should know, that the facilities are being used or are likely to be used in Great Britain. If the overseas operator wants to avoid having to obtain a licence, they will need to take action to prevent consumers using their website here.
20. **Section 1(3)** repeals paragraph (a) of section 26B of the Betting and Gaming Duties Act 1981. Section 26B makes provision for remote gambling duty. Under that section, duty is charged on the provision of facilities for remote gambling in two cases. The first case is where the facilities are provided in reliance on a remote operating licence (section 26B(a)). The second case is where at least one piece of remote gambling equipment used in the provision of the facilities is situated in the United Kingdom (section 26B(b)). At present, under the 2005 Act, an operator is only required to hold a remote operating licence if they have at least one piece of remote gambling equipment in Great Britain. Therefore a remote gambling operator who needs a licence will always also fall within section 26B(b) of the 1981 Act. As above, section 1(2) of the Act extends the category of operators who will have to hold a remote gaming licence. The government do not intend to use this Act to extend the remote gambling duty to this new category of operators. The repeal of section 26B(a) ensures that they will not be liable for remote gambling duty, whilst not affecting the liability of those who are currently required to hold a remote operating licence.