

*These notes relate to the Lords Amendment to the Gambling (Licensing & Advertising) Bill,
as brought from the House of Lords on 18th March 2014 [Bill 185]*

GAMBLING (LICENSING & ADVERTISING) BILL

EXPLANATORY NOTES ON LORDS AMENDMENT

INTRODUCTION

1. These explanatory notes relate to the Lords Amendment to the Gambling (Licensing & Advertising) Bill, as brought from the House of Lords on 18th March 2014. They have been prepared by the Department for Culture, Media and Sport in order to assist the reader of the Bill and the Lords Amendment, and to help inform debate on the Lords Amendment. They do not form part of the Bill and have not been endorsed by Parliament.
2. These notes, like the Lords Amendment itself, refer to HL Bill 61, the Bill as first printed for the Lords.
3. These notes need to be read in conjunction with the Lords Amendment and the text of the Bill. They are not, and are not meant to be, a comprehensive description of the effect of the Lords Amendment.
4. The Lords Amendment was in the name of the Minister.

COMMENTARY ON LORDS AMENDMENT

Lords Amendment 1

5. Lords Amendment 1 would enable the Secretary of State to make regulations to secure that the liability for payment of the horserace betting levy under section 27 of the Betting, Gaming and Lotteries Act 1963 includes all bookmakers who are required to hold a remote operating licence from the Gambling Commission under the Gambling Act 2005.
6. The horserace betting levy was established by the Betting Levy Act 1961. The levy was subsequently consolidated into the Betting, Gaming and Lotteries Act 1963. The current horserace betting levy is assessed and collected by the Horserace Betting Levy Board in accordance with the 1963 Act.

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7. Liability to pay the levy is imposed on bookmakers under section 27 of the 1963 Act. Currently, liability to pay the levy under section 27 does not extend to bookmakers who are based outside of Great Britain. It applies only to those who are based within Great Britain. Lords Amendment 1 would enable the Secretary of State to make regulations to extend the category of bookmakers liable to pay the levy to include all bookmakers required to obtain a remote operating licence from the Gambling Commission. This would include bookmakers based overseas who will be required to obtain a remote operating licence from the Gambling Commission as a result of this Bill.

8. Subsection (2) would set out a non-exhaustive list of the types of provision that would be able to be included in any regulations made under subsection (1). It would make it clear that subsection (1) would provide the Secretary of State with a broad power to make changes to the existing levy system to secure its extension to all bookmakers required to obtain a remote operating licence.

9. Any regulations made under subsection (1) would have to be approved by a resolution of each House of Parliament before they could be brought into force (subsection (3)).

10. Subsection (4) clarifies that Lords Amendment 1 would not prevent the Secretary of State bringing Part 2 of the Horserace Betting and Olympic Lottery Act 2004 into force, or exercising any power under that Part. Part 2 of the 2004 Act enables the Secretary of State by order made by statutory instrument to make provision for the abolition of the Horserace Betting Levy Board and the levy system, and make transfer schemes to transfer any property, rights and liabilities of the Levy Board to specified persons at specified times.

FINANCIAL EFFECTS OF THE LORDS AMENDMENTS

11. Lords Amendment 1 would allow regulations to be made which would extend the category of bookmakers who will be liable to pay the levy to include bookmakers who are currently based overseas who will be required to obtain a remote operating licence from the Gambling Commission as a result of this bill. This would have the effect that those offshore bookmakers who are not currently liable to pay the levy will become liable to pay the levy.

12. Lords Amendment 1 would not create any additional costs for Government. The associated costs incurred by the Horserace Betting Levy Board as a consequence of Lords Amendment 1 would be met by the Board out of the collection of the horserace betting levy. Any associated regulatory costs incurred by the Gambling Commission as a consequence of Lords Amendment 1 would be met out of fees paid to the Commission under the Gambling Act 2005.

GAMBLING BILL

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