

All Change for Bingo

Today's news that bingo duty is to be abolished and replaced by a gross profits tax has been given a cautious welcome by the Bingo Association.

Chairman, Sir Peter Fry, said: "The industry has argued strongly for several years that the rate of bingo duty was too high and should be reduced. Other areas of gaming have seen levels of taxation decline, leaving bingo as the most heavily taxed game. Naturally, anything which will boost prizes for our players and reduce the overall level of taxation is to be welcomed".

"The introduction of a gross profits system does not come as a great surprise, because the recent White Paper on gaming reform gave a clear indication that the duty system would be reformed to streamline it. Given that betting has recently moved to a gross profits system, the industry anticipated that bingo might be next in line".

"Like the betting industry, bingo will be looking to ensure that this change helps to stimulate its market by providing bigger and more attractive prizes for players. This must be good news for all clubs, but in particular those smaller clubs whose profitability has declined in recent years. Clearly, the level of gross profits tax will be critical to the success of the system for the player, the industry, and in ensuring revenue for the Government. The industry has already begun detailed work on this issue in anticipation of reform, and we expect that the consultation exercise will provide the opportunity to explore all the issues.

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