



Thursday 28th June 2012

The Bingo Association renews calls for 15% tax rate for bingo as new tax proposals hand yet more advantages to offshore rivals

**“Current Remote Gambling tax proposals are neither equitable, nor fit for purpose”
says The Bingo Association**

As the deadline for submissions to the Remote Gambling Duty Consultation falls, The Bingo Association has claimed that HM Treasury’s proposals for the Remote Gambling Duty are “neither equitable nor fit for purpose”. The Consultation, *“Taxing remote gambling on a place of consumption basis: consultation on policy design”*, addresses the issues raised by HM Treasury’s long awaited proposals to bring remote gambling into the UK taxation regime. Whilst The Bingo Association welcomes the proposals in principle, it rejects the proposed figure of 15% tax for remote gambling when land based Bingo is taxed at 20%, claiming **that this provides an unfair advantage to online operators and could potentially damage the UK economy.**

Earlier this year The Bingo Association released figures, compiled by Ernst and Young, that concluded that a reduction in bingo taxation from 20% to 15% Gross Profit Tax (GPT) would significantly alleviate the decline in the industry and therefore actually increase the tax earned by the Exchequer.

“For a long time, we have asked HM Treasury to look at the unfair advantage gained by online operators in terms of the duty they pay compared with their land based competitors,” says Paul Talboys, Chief Executive of The Bingo Association. “The HM Treasury Consultation claims that these proposals ‘will level the playing field providing a fairer basis for competition’. If this is the aim of the new Remote Gambling Duty, **we believe the current proposal of 15% tax for online operators is neither equitable, nor fit for purpose.**

These proposals ignore the fact that online products compete with their land based equivalents, and as such, HM Treasury’s **15% tax is akin to State Aid for the remote gambling industry.** In implementing reduced duty for online operators, HM Treasury is in danger of driving organisations towards the advantages of online operation, **thereby threatening jobs at land based operations and the UK economy.**

We’d like to call on HM Treasury to introduce a **single, harmonised rate of tax across all forms of UK gambling.** There is no objective rationale for treating these products differently and therefore a single standard rate of tax for all is the only fair solution, and the only way, that HM Treasury can really claim to create a level playing field for the whole industry. We look forward to seeing the result of HM Treasury’s Consultation.”

- Ends -

For further information, contact:

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Notes to Editors:

The Bingo Association

- The Bingo Association is the trade association of the licensed bingo industry in Great Britain, representing the proprietors of bingo clubs licensed under the Gambling Act 2005.
- There are 50 proprietors in membership operating over 200 clubs. Membership profile ranges from the large operators, including Mecca Bingo (98 clubs) to smaller operators like Carlton Leisure (14 clubs) and many single unit businesses.
- Around 70% of all Bingo players are women and overall, 10% of all women in the UK play bingo
- www.bingo-association.co.uk