



**GAMBLING
COMMISSION**

14 December 2009

Joint statement between HMRC and the Gambling Commission in relation to amusement machines which offer games designed to look like recognised games of chance.

This joint statement outlines HMRC's policy and the Gambling Commission's views in relation to amusement machines which offer games which are designed to look like recognised games of chance.

Background

HMRC and the Gambling Commission are aware that manufacturers have produced amusement machines marketed as skill with prize but which offer games which are designed to look like recognised games of chance (such as roulette, bingo or poker). In our view, such games are being presented as involving an element of chance and are therefore games of chance by dint of section 6 (2)(a)(iii) of the Gambling Act 2005. Further the machines on which the games are played are gaming machines under s25 of the Betting and Gaming Duties Act 1981 and s235 of the Gambling Act 2005.

Guidance

Machines which offer such games that are presented as involving an element of chance are liable to Amusement Machine Licence Duty (AMLDD) unless they fall within one of the exemptions for machines with small stakes and prizes.

Further, such games must only be sited where the correct permissions for a gaming machine are in force under the Gambling Act 2005. Anybody wishing to manufacture, supply or maintain such a machine must also obtain the applicable operating licence from the Gambling Commission.

A game of chance

The manner in which a game is presented includes not only the game title and/or the way in which it is described on the machine's livery but also how the game itself is presented to the player. A business cannot therefore avoid AMLDD or restrictions on where machines can be sited by just changing the game title or

the manner in which it's described. They would also have to change the way the game is presented to the person playing the game on the machine such that it's no longer presented as involving an element of chance.

Implications

Depending on stake and prize limits, these machines are therefore liable to Amusement Machine Licence Duty.

These machines will also be subject to the requirements for gaming machines under the Gambling Act 2005.

What you need to do

If you provide a machine on any premises offering games presented as games of chance such as bingo, roulette and poker you must hold a valid AMLD licence before you make the machine available for play unless the machine falls within one of the exemptions.

You should also ensure you satisfy the requirements of the Gambling Act 2005 in that the correct permissions are in force to be able to site the machine, the machine entitlement is not exceeded and the stake/prize made available complies with the applicable limits. Manufacturers, suppliers and any entity maintaining the machine should also ensure it complies with the applicable regulations and Commission technical standards for gaming machines.

If you are unsure whether your machine is liable to duty, you should consult HMRC on the Helpline on 0845 010 9000 with full details of the game before making the machine available for play.

If you are unsure as to whether you are permitted to have a gaming machine on your premises please contact the Gambling Commission on 0121 230 6666.

Further information

HMRC provides guidance in Notice 454 (October 2007) which can be viewed on www.hmrc.gov.uk under 'Quick Links' click on 'library' then on publications and then on 'Notices, Information Sheets and other reference materials.

The Gambling Commission provides guidance at www.gamblingcommission.gov.uk.