**EXPLANATORY MEMORANDUM TO**

**THE GAMING DUTY (AMENDMENT) REGULATIONS 2008**

**2008 No. 1949**

**1.** This explanatory memorandum has been prepared by Her Majesty's Revenue and Customs and is laid before the House of Commons by Command of Her Majesty.

## 2. Description

This instrument amends regulation 5 of the Gaming Duty Regulations 1997 (S.I. 1997/2196) ("the principal Regulations") by bringing payments on account into line with new bands of gross gaming yield introduced by the Finance Act 2008 (c. 9).

## 3. Matters of special interest to the Select Committee on Statutory Instruments

None

## 4. Legislative Background

4.1 Section 11 of the Finance Act 1997 (c.16) prescribes how gaming duty must be calculated for each six-monthly accounting period. It is calculated by applying the rates specified in the Table in section 11(2) to the gross gaming yield. Increasing rates apply to each band of gross gaming yield.

4.2 Regulation 5 of the principal Regulations provides for the quarterly payment of gaming duty by making provision for payments on account half way through every accounting period. These payments are calculated by applying the rates contained in the Table in that regulation to the gross gaming yield for that period. Again, increasing rates apply to each band of gross gaming yield.

## 5. Extent

This instrument applies to all of the United Kingdom.

## 6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

## 7. Policy Background

7.1 The bands of gross gaming yield were increased in line with inflation by section 20 of Finance Act 2008 (c. 9), which substituted a revised Table in section 11(2) of Finance Act 1997.

7.2 Each time the bands for the six monthly accounting periods are increased it has been the practice to increase the bands for the three monthly payments on account to ensure that those payments continue to be roughly half of the amount of gaming duty

due in an accounting period. The bands were last amended by the Gaming Duty (Amendment) Regulations 2007 (S.I. 2007/2167).

## 8. Impact

8.1 The explanatory note to this Instrument explains that:

"A full and final Impact Assessment has not been produced for this instrument as a negligible impact on the private or voluntary sectors is foreseen."

8.2 This is because the accepted Government practice is that no IA will be published for HMRC and HMT tax measures for which:

- The total effect of the changes across all UK business is less than £100,000 of administrative burden costs/savings and/or £3m of compliance cost in total; and
- The Department's Better Regulation and Policy team has confirmed that
  - there are no disproportionate impacts on any business or sector; and
  - there are no other issues which might make publication of an IA advisable.

This is such a measure.

## 9. Contact

Ian Ayre at Her Majesty's Revenue and Customs Tel: 0161 827 0306 or e-mail: ian.ayre@hmrc.gsi.gov.uk can answer any queries regarding the instrument.