

Budget 2009



BN83

22 April 2009

AMUSEMENT MACHINE LICENCE DUTY: CHANGES TO RATES AND MACHINE CATEGORIES

Who is likely to be affected?

1. Anyone who provides a gaming machine for play in the UK.

General description of the measure

2. Legislation will be introduced in Finance Bill 2009 to increase the amount of amusement machine licence duty (AMLDD) for all categories of gaming machines.
3. The legislation will also make additional classes of gaming machines exempt from AMLDD, increase the stake and prize levels for Category C machines and make changes to 'special licences' and 'seasonal licences'.

Operative date

4. The new duty amount for gaming machines will have effect for any licence applications received at HM Revenue & Customs (HMRC) Greenock accounting centre after 4pm on 22 April 2009.
5. The other changes will have effect on 1 June 2009.

Current law and proposed revisions

6. The table in section 23 of the Betting and Gaming Duties Act 1981 (BGDA), setting out the amounts of licence duty, will be replaced by the table below.

7.

Months for which licence granted	Category A	Category B1	Category B2	Category B3	Category B4	Category C
1	500	255	200	200	180	80
2	985	490	385	385	350	145
3	1475	735	585	585	530	220
4	1965	985	775	775	705	290

5	2465	1230	970	970	875	365
6	2955	1475	1160	1160	1050	435
7	3445	1720	1355	1355	1225	505
8	3935	1965	1550	1550	1405	580
9	4430	2215	1745	1745	1580	655
10	4920	2465	1935	1935	1755	725
11	5410	2710	2130	2130	1930	795
12	5625	2815	2215	2215	2010	830

8. Under section 23(3) of BGDA a gaming machine with a maximum stake of 50p and maximum prize of £35 is defined as a Category C machine. From 1 June 2009 these stake and prize levels will be increased to £1 and £70.
9. Under section 21 of BGDA no licence is needed for an “excepted machine”. An excepted machine is a 2-penny machine, or a machine with a maximum stake of 10p and a maximum cash prize of £5, or a machine with a maximum stake of 30p and maximum prize of £8, where the cash element of the prize does not exceed £5.
10. From 1 June 2009 the definition of an excepted machine will change. The exemption for 2-penny machines and those with a 30p stake and £8 (with a maximum cash element of £5) prize remains. In addition gaming machines in the following two groups will be exempt: maximum stake of 10p and maximum prize of £15 (with a maximum cash element of £8); and those with a maximum stake of £1 and a non-cash prize with a maximum value of £50.
11. Section 22 of BGDA describes a “small-prize machine” as one with a maximum prize of £8. These machines are entitled to ‘special licences’ or ‘seasonal licences’ under section 21(4) or paragraph 4 of Schedule 4 to BGDA. The prize level for “small-prize machines” will increase to £10.

Further advice

11. Notice 454: Amusement Machine Licence Duty will be updated in due course.
12. If you have any questions about this change, please contact the National Advice Service on 0845 010 9000. Information about Budget measures is available on the HM Revenue & Customs website at www.hmrc.gov.uk