



GAMING AND GAMBLING

Remote Betting Licences and Betting Duty: the Betting (Amendment) Act 2015

by **Peter Bolger**

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The purpose of the Betting (Amendment) Act 2015 (the "Act") is to regulate bookmakers and betting intermediaries, or exchanges, which offer, or facilitate, betting services in Ireland.

The Act applies to remote operators, regardless of where they are based and whether they are online or have a retail street presence, if they accept or facilitate bets from persons based in Ireland. The Act aims to standardise the treatment of all operators that provide these services in Ireland by making them all subject to the Irish licensing and taxation regime.

Remote bookmakers and remote betting intermediaries (i.e. those who enable persons to make bets with other persons by remote means) providing betting services to customers in Ireland have been required to hold a licence since 1 August 2015. The provision of betting services to customers in Ireland without a licence is now an offence. The 2015 Act also extends the scope of betting duty to cover both remote bookmakers and remote intermediaries.

Remote Operators

If a company or an individual accepts or facilitates bets from Irish customers by remote means, that person must hold the relevant remote licence and pay the appropriate betting duty, regardless of whether that person has a physical presence in Ireland.

Licence Duty

The first licence issued to a remote bookmaker or remote intermediary has a €10,000 licence fee, and the licence fee payable for each subsequent licence is determined by annual turnover for remote bookmakers or by annual commission earnings in relation to remote intermediaries. All licences issued during or after 2015 will expire on 30 June 2017 and thereafter will be renewable every two years. The licence duty can be paid in full at the time of application or in two equal instalments.

Offences

It is now an offence to operate as a bookmaker, remote bookmaker or as a remote intermediary without a licence. The penalty for operating without a licence is a fine of up to €150,000 for a first offence, €300,000 for subsequent offences, or imprisonment for up to five years, or both fine and imprisonment.

The Irish Revenue Commissioners also have the power to issue compliance notices to third parties who provide facilities or services to unlicensed remote operators such as advertising or internet services. Failure to comply with a compliance notice is an offence and can lead to a fine of up to €50,000.

Betting Duty

As of 1 August 2015, remote bookmakers are required to pay a 1% betting duty on all bets entered into with persons in Ireland. This is in addition to the licence fee discussed above.

Remote intermediaries are required to pay 15% of their commission to the Revenue Commissioners. Commission refers to the amount levied on Irish-based customers for using the facilities of a remote intermediary, generally through a deduction from winnings.

What next?

The Act is a further step in the modernisation of gambling law in Ireland by expanding the scope of those required to hold a licence to cover remote operators. The Act also extends the taxation regime to remote operators, requiring them to pay betting duty as well as the licence fee. Those who are required under the new legislation to hold a licence and have not yet engaged in the process should act quickly to try to avoid penalties.

The Revenue Commissioners will establish a register of remote bookmaker's licences and remote betting intermediaries' licences, which will probably be available for inspection on the internet.

Further and more comprehensive reform of gambling law in Ireland is expected through the Gambling Control Bill. It was published in draft in 2013, and is listed on the Government's current Legislation Programme, but it is unlikely to make any official progress before the next general election, which will take place by spring 2016.

For more information, or to seek assistance to ensure compliance with the Betting (Amendment) Act 2015, please contact [Peter Bolger](#), Partner at LK Shields.

About the Author



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