

## GAMBLING TAX REFORM 2014 (GTR) IMPLEMENTATION WORKING GROUP

100, PARLIAMENT STREET LONDON – 30 JULY 2014

### Attendees:

Sally Beggs	HMRC (Chair)
Andy Grimsley	HMRC
Mel McDonald	HMRC
Katherine Mansfield	HMRC (Minutes)
Alasdair MacEwen	GBGA
David Farmer	ABB
Dirk Vennix	ABB
Sue Rossiter	RGA
Kevin Smith	RGA
Rachel Keegan	ABB
<b>Apologies:</b> Sarah Kostense Winterton, Andrew Smyth, James White, Thomas Bowey, Cherry Hosking.	

### Review of minutes and action points from meeting of 25 June 2014

*AP1 – RGA and HMRC to agree a note on the calculation and allocation of the rake to individual gaming operators from a shared pool. Sue had circulated a note and HMRC had sought and received clarification on one point. HMRC would convert the note into guidance for publication (reflecting the clarification) and would publish in the next two weeks.*

*AP2 – HMRC to publish notices and to provide an update of the next meeting about overall communication plans. AP3 – HMRC to provide a timeline. Both covered as agenda items.*

### Bi-lateral agreements and requirement for enforceable assets in the UK

Those not in the EU, a MARD state or a territory with which the Government had concluded an appropriate bi-lateral agreement would, if they were not in a group, be subject to a requirement to place enforceable assets in the UK. Andy confirmed that the Government had invited Gibraltar, Alderney and the Isle of Man to consider concluding appropriate bi-lateral agreements which would mean that these territories would agree to enforce any debts on behalf of the UK. Negotiations with the Isle of Man were well advanced and it was hoped that an agreement would be concluded shortly. However, HMRC could not, at this stage, give the same assurance about being able to make similar arrangements with Alderney and Gibraltar.

Andy said that, on this basis, those based in Alderney and Gibraltar should start considering their options about how they would meet the requirement to place enforceable assets in the UK through representatives.

HMRC would alert IWG members if there was any change in the position on bi-lateral agreements.

Sally stressed that action was with Alderney and Gibraltar should they wish to pursue concluding bi-lateral agreements. Action was not with HMRC.

Katherine explained that representatives would have to be approved by HMRC before they could act as such. Those considering appointing representatives were invited to approach HMRC by email from 20 August (email address to be advised). A form - to be known as "GTRA" - would be issued to nominated representatives for their completion and it was hoped that HMRC would be able to issue decisions within three weeks of receipt of a completed GTRA (although initially wait times might be longer because of the number of cases).

Katherine circulated paper copies of draft HMRC guidance and a draft of the GTRA.  
**AP1(30/7) – HMRC to circulate electronic copies to IWG members.**

### **Communications and guidance**

Mel McDonald talked through the range of communications actions HMRC had taken forward. Messages aimed at agents had been published in the Department's "Agent Update". A press notice was to be issued targeting, in particular, the trade press and "partnership marketing" (messages pushed out to interested parties) would begin in August. Discussions were in train with the Gambling Commission around what the Commission could do to flag up UK gambling tax obligations to those registering for Commission operating licences. The Foreign and Commonwealth Office (FCO) were about to issue a message about GTR to embassies in relevant foreign countries.

**AP2(30/6) – HMRC to circulate updated communications plan.**

There was a discussion of HMRC's GTR web content. The IWG made clear that this needed to improve. Sue highlighted that she had struggled to find the recently published Public Notices on the web (indeed there was no link to the Notice from the GTR page). She had had comments from her members that the HMRC GTR web content was not adequate – in particular it was difficult to locate key information.

It was agreed that HMRC's web content needed urgent attention. It was the nature of GTR customers that the first place they would look for information would be the internet. They were not finding what they needed. In particular, as implementation approached, it was essential that customers could quickly see the latest position on eg bi-lateral agreements and the opening of the registration service. Sally said that some sort of "latest update" facility on the web was a priority and needed to be put in place as a matter of urgency.

There was a discussion about what sort of web content the industry would like to see (HMRC stressed they were subject to constraints and could not necessarily deliver everything asked for). The following points were made:

- Content should be aimed at tax practitioners. Very basic guides in simple language would not be particularly helpful to this audience.
- It was essential that the content was easy to navigate. A landing page with links was needed. The current approach – no landing page and lengthy text – was not user-friendly.
- Ideally, there should be an “archive” section which allowed customers to access historical information – eg information notes – which had been superseded but were still of interest.
- It was sufficient to include the UK person guidance in the Public Notices. It did not need to be repeated in another format.
- It would be confusing to include on the web the detailed diagrammatic explanations of pools that had informed earlier IWG discussions. It would be useful to include an explanation of what had been concluded on pools.
- It would be useful to highlight to existing taxpayers how they would be “transitioned” into the new system.
- Small bookmakers would find it useful to be able to see a detailed explanation of what the administration changes would mean for them.

## **Timeline**

Andy circulated an illustration of the implementation timeline.

### **AP3(30/6) – HMRC to send electronic copy of timeline to IWG Members.**

Sue asked for confirmation of the deadline for registration. HMRC confirmed that it was 14 days before 1 December 2014 (subsequent clarification – 31 days for those in non-EU/ MARD/ bi-lateral agreement territories)

## **Any Other Business**

Andy said that he had received a query about any tax impact of the Gambling Commission's intention to require platform providers to hold operating licences. He said that it was not HMRC's policy to make B2B platform providers jointly and severally liable to the tax debts of a B2C Operator as a consequence of holding an operating licence. HMRC will issue guidance to give the industry clarity on this point.

The date of the next meeting was confirmed as 19 September 2014.

KM  
31 July 2014