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8th March 2017

Dear Sir/Madam

Reform of Horserace Betting Levy for Great Britain

Introduction

I am writing further to my communication of 30th January 2017, which can be found at <http://www.hblb.org.uk/page/114>.

This is to advise you that the UK Government has now laid the Statutory Instrument (SI) before the UK Parliament that is intended to bring into effect the planned changes to the Horserace Betting Levy to which the 30th January communication referred.

It is the Government's intention that this legislative change will take effect on 1st April 2017. This is subject to the granting of State aid approval and the passing of the legislation by the UK Parliament. In the event that the legislation is not able to be brought into effect on 1st April, it may come into effect later on a date that the Government would advise.

The draft legislation and an explanatory memorandum are attached to this communication and it is recommended that you familiarise yourself with them. The legislation sets out who will be liable to pay the Levy and includes details as to how to calculate horserace betting profits for the purposes of the Levy.

Further communication

The Horserace Betting Levy Board (HBLB) will communicate further with operators shortly. The timing and nature of the correspondence will depend on when the legislation comes into force and whether the operator is required to pay the Levy currently or not.

Those who are paying Levy under the current 55th Levy Scheme (2016/17) and who are deemed liable for payment under the new arrangements will be asked to make their first payments under the new arrangements on 28th April, in line with current Levy Scheme practice. If the new legislation comes into force later than 1st April, the date for the first payments under the new arrangements will fall later. However, in this scenario, operators will be required to make payments under the 56th Levy Scheme until such time as the new legislation takes effect. The reconciliation process for the 55th Levy Scheme will proceed in the usual way.

For those operators not currently required to pay Levy, it is envisaged that HBLB will issue a form requesting details concerning the business and expected gross profits (as defined in the legislation) for the Levy period to 31st March 2018. Payments on account will then be assessed and a schedule of payments set up.

Yours faithfully

Alan Delmonte
Chief Executive