

## UK consults on reforming the racing levy

The UK Government published on 27 August a consultation on whether the existing horseracing levy, currently paid by UK-based horseracing bookmakers, should be reformed, or replaced by a 'bespoke statutory framework underpinned by commercial agreements between Betting and Racing.' This follows June's consultation on extending the levy to offshore operators.

"Government effectively rules out abolishing the levy altogether, pointing to the 'continuing need for a statutory framework to underpin arrangements enabling a flow of funding from betting on British horseracing back into the sport,'" said Anna Mathias, Barrister at Joelson Wilson.

The Government declares in the document that the levy will not be applied to other sports, describing horseracing and betting as having a 'unique interdependent relationship.' However, Mathias thinks that "In an age of ever increasing popularity of betting on a wide range of sports, it is questionable whether this approach can be sustained. Sectors such as greyhound racing might well have an argument that they should be entitled to benefit from the levy too."

## Singapore bill offers limited exemptions to prohibition

The Singapore government introduced on 8 September a draft remote gambling bill, which would prohibit remote gambling in Singapore for foreign operators and Singapore-based operators, the latter of which may be able to apply for and be granted an exemption certificate.

"Overall, the bill was not unexpected since the government had mentioned that they would ban remote gambling," said Yap Wai Ming, Director at Stamford Law Corporation. "What I see as surprising is the very wide definition of gambling, which includes any combination of a game of chance and a game of skill. The bill practically outlaws most social games that have some element of chance but are predominantly skill-based. It may kill the digital media development industry in Singapore. I am not sure what the level of

enforcement will be for such games. Will this be a case where the law is there but not strictly enforced if the element of chance in the game is not dominant?"

Under the draft bill, Singapore's authorities will have a number of enforcement powers, including *inter alia* the ability to search the premises of operators, to sentence guilty parties to up to seven years imprisonment, and to require financial institutions to block gambling payments.

Operators incorporated or based in Singapore would be able to apply for an exemption certificate, and the government would grant exemptions on the basis of whether it is in the 'public interest' to do so.

"The requirements for obtaining certificates of exemption are very stringent and reflect the approach taken by Singapore to restrict the number of exempt

operators," explains Lau Kok Keng, Partner at Rajah & Tann LLP. "Among the factors which may be taken into consideration in determining who may receive such certificates of exemption include whether it is a not-for-profit entity that distributes funds to good causes in Singapore, and the operator's track record of compliance with legal and regulatory requirements applicable to it [including those applied in other jurisdictions]." "Aside from Singapore Pools, which is run by the Singapore Totalisator Board, I think the number of exemptions will be very few, if any at all," thinks Michael Palmer, Director at Quahe Woo & Palmer LLC. "I also feel that there will be restrictions placed on the operator to limit any gambling offered to sports betting and lotteries. I do not see casino games being permitted at all."

## New Jersey makes the move to decriminalise sports betting

The Christie Administration took action to allow sports wagering in New Jersey (NJ) on 8 September with the issuance by the Attorney General of a Law Enforcement Directive that exempts from criminal liability the operation of sports pools by casinos and racetracks, as well as a motion filed in the federal court on behalf of Governor Christie asking for clarification of the 2013 injunction and Third Circuit decision that NJ can remove prohibitions in order to enable sports wagering as described in the Directive.

"During litigation between the sports leagues and NJ, the Court of Appeals stated that PASPA [the Professional and Amateur Sports Protection Act] would not be implicated by a mere repeal of NJ's sports betting prohibitions. NJ took the Court of Appeals up on that invitation and has now clarified that its sports betting prohibitions have been repealed," said Jeff Ifrah, Founding Member of Ifrah Law.

In 2012 NJ passed the Sports Wagering Act and was subsequently sued in a federal court

based on PASPA, which prohibits most US states from authorising sports betting. The District Court Judge issued an injunction in February 2013 prohibiting the imposition of NJ's new Act, which was upheld by the Third Circuit Court of Appeals, but, at the same time, it was made clear that NJ was free to remove prohibitions against sports wagering.

"I think federal officials will respect any decision issued by the federal judge in New Jersey, who will decide the viability of New Jersey's repeal," adds Ifrah.

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