

One-way betting in the United States on HK horse racing approved

The Secretary for Home Affairs today (June 29) approved an application from the HKJC Horse Race Betting Limited for qualified bets on Hong Kong horse races to be accepted in the United States of America.

The approval, effective for five years and subject to the validity of the horse race betting licence granted to the HKJC, is made in accordance with an Agreement for Telecast and Placing of Bets on Horse Races relating to a one-way betting arrangement between the HKJC and the Las Vegas Dissemination, Inc.

Under the arrangements, bets can be placed on the HKJC's horse races at the authorised locations in the US.

According to the Betting Duty Ordinance, betting duty is charged on net stake receipts (gross profits). A discount is allowed if the HKJC accepts qualified bets outside Hong Kong within a charging period. In the case of US, the betting duty discount will be 50% of the lowest marginal duty rate.

Explaining the Government's decision, a spokesman for the Home Affairs Bureau said the acceptance of qualified bets would benefit Hong Kong in terms of additional betting duty receivable.

The approval of this one-way betting arrangement in the US was given in accordance with the existing policy and provisions on qualified bets under the Betting Duty Ordinance.

"The approved one-way betting arrangement enables people in US to place bets on HKJC horse races through an authorised channel and be added to the local bet pools of HKJC. This approval does not authorise the LVDC to accept bets in Hong Kong. Nor does it authorise any person in Hong Kong to place bets with any bookmaker outside Hong Kong, including the LVDC. These activities are forbidden under the Gambling Ordinance," the spokesman said.

According to the existing policy, the Government considers that acceptance of overseas bets on local races would not encourage gambling in Hong Kong.

The approval is also subject to a series of other conditions that seek to ensure that this one-way betting arrangement operates in the overall interests of the public.

According to the Betting Duty Ordinance, qualified bet means a bet of any form accepted at a venue outside Hong Kong authorised by the HKJC and approved by the Secretary for Home Affairs under the ordinance.

Ends/Friday, June 29, 2007

NNNN