

**Draft**  
of  
**Act amending the Gambling Act and the Gaming Duties Act<sup>1)</sup>**  
(New rules for non-profit lotteries and the liberalisation of land-based  
bingo)

**§ 1.**

The Gambling Act, cf. Consolidation Act No 1303 of 4 September 2020, as amended through § 2 of Act No 533 of 27 March 2021, § 1 of Act No 375 of 28 March 2022, and § 1 of Act No 467 of 8 May 2024, shall be amended as follows:

1. In § 3, the following shall be inserted as (3):

‘(3) The offering or organisation of land-based lotteries, where the total annual sales price is less than DKK 15 000, does not require a licence but a licence may be granted, cf. § 10.’

2. § 10 is hereby repealed and the following inserted in its place:

**‘§ 10.** A licence can be issued to hold land-based lotteries for a non-profit purpose or for a political party which is entitled to stand for the Danish Parliament or a national parliament in another EU or EEA country and which holds lotteries for themselves. All the surplus from the lottery must be distributed to the purpose(s) for which a licence has been granted.

(2) Licences may be granted to associations and publicly sponsored entities where lotteries have an annual sales price from DKK 15 000 up to and including DKK 200 000, where only voluntary unpaid labour may be used in connection with the lottery. Publicly supported entities are exempt from the rules in Chapter 4, with the exception of § 32.

(3) Licences for lotteries with an annual sales sum of DKK 15 000 up to and including DKK 5 000 000 may be granted to associations, foundations, self-governing institutions and companies, except to sole proprietor-

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<sup>1)</sup>A draft of the Act has been notified in accordance with Directive (EU) 2015/1535 of the European Parliament and of the Council laying down a procedure for the provision of information in the field of technical regulations and of rules on Information Society services (codification).

ships and to sole proprietorships with personal ownership of smaller companies. In the case of associations, the surplus must represent a minimum of 15 % of the sales price. For others, the surplus must amount to at least 35 % of the sales price.

(4) Licences for lotteries with an annual sales sum of more than DKK 5 000 000 up to and including DKK 100 000 000 may be granted to associations, foundations, self-governing institutions and companies, but not to sole proprietorships and sole proprietorships. The surplus shall amount to at least 35 % of the sales price.

(5) Licences referred to in (2–4) may be granted for a period of 1 year or 3 years at a time. Licences may only be obtained if the applicant does not already have a licence for the offering of games under this Act, except for licences under § 18a.

(6) Licences to offer class lotteries may not be granted under (2–4).

(7) The Minister for Taxation may lay down rules on the criteria to be met by non-profit lotteries and political parties which organise lotteries for their own benefit in order for licences to be granted, as well as rules on how the lotteries can be held.’

### *Land-based bingo*

**§ 10a.** Licences may be granted for offering land-based bingo.

(2) Licences may be granted for up to 5 years at a time.

**§ 10b.** Persons under the age of 18 shall not enter premises where land-based bingo is organised.

**§ 10 c.** Land-based bingo may be organised between 7:00 and 24:00.

(2) Premises where land-based bingo is organised shall be staffed throughout opening hours.

(3) The staffing shall be carried out by the licence holder, the manager or a person employed by the licence holder or the manager present in the room where land-based bingo is organised or the location where land-based bingo is conducted.’

**3.** In § 31, the following shall be inserted after ‘land-based casinos’: ‘, for the offering of land-based bingo’.

4. In § 34a, the following shall be inserted after ‘the age requirements in §§’: ‘10b,’ and, after ‘gaming hall’, the following shall be inserted: ‘and in premises or sites where land-based bingo is organised,’.

5. In § 37, the following shall be inserted after ‘land-based casinos,’: ‘premises or sites where land-based bingo is organised,’ and after: ‘§§ 6’: the following is inserted: ‘, 10a’.

6. In § 40, the following shall be inserted after ‘bets,’: ‘employees in premises or locations where land-based bingo is organised,’.

7. In § 42c, *points 1 and 3*, ‘and § 42b’ shall be replaced by: ‘§§ 42b, 42g and 42h’.

8. In § 42e, the following shall be inserted after ‘§§ 42-42b’: ‘, § 42g and § 42h’.

9. In § 42f, ‘and 42d’ shall be replaced by: ‘42 d, 42 g and 42 h’;

10. The following shall be inserted after § 42f:

‘§ 42g. For licences for the installation and operation of gambling machines with winnings, cf. § 19(1), an annual fee shall be paid to the Danish Gambling Authority, depending on the licence holder’s annual taxable gambling revenue, cf. § 12 of the Gambling Tax Act. The fee shall be paid no later than 1 month after the licence takes effect and thereafter annually before the end of January according to the following scale:

Amount of gambling revenue	Fees (2010 level)
Less than DKK 100 000	DKK 1 300
DKK 100 000 up to DKK 250 000	DKK 2 100
DKK 250 000 up to DKK 500 000	DKK 5 200
DKK 500 000 up to DKK 1 000 000	DKK 10 400
DKK 1 000 000 up to DKK 2 500 000	DKK 24 800
DKK 2 500 000 up to DKK 5 000 000	DKK 44 900
DKK 5 000 000 up to DKK 10 000 000	DKK 88 900
DKK 10 000 000 up to DKK 15 000 000	DKK 123 000
DKK 15 000 000 up to DKK 20 000 000	DKK 158 700
DKK 20 000 000 up to DKK 25 000 000	DKK 241 900
DKK 25 000 000 up to DKK 35 000 000	DKK 325 200
DKK 35 000 000 up to DKK 50 000 000	DKK 499 700

DKK 50 000 000 up to DKK 75 000 000	DKK 674 100
DKK 75 000 000 up to DKK 100 000 000	DKK 880 300
DKK 100 000 000 up to DKK 125 000 000	DKK 1 100 300
DKK 125 000 000 up to DKK 250 000 000	DKK 2 220 500
DKK 250 000 000 up to DKK 375 000 000	DKK 3 330 700
DKK 375 000 000 and above	DKK 4 361 700

**§ 42h.** For the submission of applications for licences for the offering of land-based bingo, cf. § 10a, applicants who, at the time of the application, hold a licence from the Danish Gambling Authority must pay a fee of DKK 15 900 (2010 level) to the Danish Gambling Authority. For the submission of applications for licences for the offering of land-based bingo, cf. § 10a, applicants who, at the time of the application, hold a licence from the Danish Gambling Authority must pay a fee of DKK 7 900 (2010 level) to the Danish Gambling Authority. The fee must be paid at the same time as the application is submitted.

(2) In the case of licences issued for land-based bingo, cf. § 10a, an annual fee shall be paid to the Danish Gambling Authority, depending on the licence holder's annual taxable gambling revenue, cf. § 5 of the Gaming Duties Act. The fee shall be paid no later than 1 month after the licence takes effect and thereafter annually before the end of January according to the following scale:

Amount of gambling revenue	Fees (2010 level)
Less than DKK 1 000 000	DKK 11 900
DKK 1 000 000 up to DKK 2 500 000	DKK 23 800
DKK 2 500 000 up to DKK 5 000 000	DKK 47 600
DKK 5 000 000 up to DKK 10 000 000	DKK 95 200
DKK 10 000 000 up to DKK 20 000 000	DKK 142 700
DKK 20 000 000 and above	DKK 190 300

**11.** In § 59(5)(1), the following shall be inserted after 'infringes': '§ 10(1), second sentence, § 10(3), second and third sentences, § 10(4), second sentence, § 10b, § 10c,'.

## § 2.

The Gaming Duties Act, cf. Consolidation Act No 1209 of 13 August 2020 as amended by § 4 of Act No 2226 of 29 December 2020 and § 1 of Act No 375 of 28 March 2022, shall be amended as follows:

1. In § 1(3)(1), the following shall be inserted after ‘Act’: ‘or by § 3(3) or § 10 of the Gambling Act’ and in the *second sentence* ‘covered by this Act’ shall be replaced by: ‘referred to in point 1.’

2. *The heading* before § 5 is worded as follows:

*‘Land-based bingo’.*

3. § 5 shall read:

‘§ 5. Holders of licences for the offering of land-based bingo under § 10a of the Gambling Act shall pay a tax calculated as a percentage of the gross gambling revenue. In 2025, the percentage is 28. In 2026, the percentage is 33. In 2027, the percentage is 38. As from 1 January 2028, the percentage is 41.’

4. In § 21(1), *first sentence*, ‘§§ 6’ shall be replaced by: ‘§§ 5, 6’.

5. In § 24(1), *first sentence*, and (2), ‘§§ 5, 15 and 17’ shall be replaced by: ‘§§ 15 and 17’.

## § 3.

Act No 467 of 8 May 2024 amending the Gambling Act (Strengthened action against match fixing, improved sanction options, legal basis for increased data processing, changed fees for gambling machines and various adjustments to the gambling sector) is amended as follows:

1. § 1, *no. 23* is repealed.

2. In § 3(2), the words ‘9, 23’ are replaced by ‘9’.

3. In § 3(7), the words ‘22 or 23’ are replaced by ‘22’.

#### § 4.

*Paragraph 1.* The Act shall enter into force on 21 November 2024.

(2) §§ 1 and 2 shall take effect as from 1 January 2025, without prejudice to (3) and (4).

(3) The Act applies to non-profit lotteries which, according to the licence, may start on or after 1 January 2025. However, in the case of non-profit lotteries where the licence was granted before 21 November 2024, the Act only applies to the extent decided by the licence holder. The decision under the second sentence cannot be reversed. Irrespective of the date on which the licence was granted, non-profit lotteries which, according to the licence, may start before 1 January 2025, but where the licence expires on or after 1 January 2025, shall not be subject to tax for winnings when these are paid out on or after 1 January 2025.

(4) The Danish Gambling Authority may, as from 21 November 2024 onwards, examine applications and decide on the issuance of licences pursuant to § 10 and § 10a of the Gambling Act, as amended by § 1, No 2 of this Act. At the same time as the submission of the application under § 10a of the Gambling Act, a fee shall be paid in accordance with § 42h(1), first sentence, of the Gambling Act, as amended by § 1, No 10, of this Act.

(5) For applications for the organisation of non-profit lotteries, cf. § 10 of the Gambling Act, as amended by § 1, No 2, of that Act, which are submitted during the period from 21 November 2024 up to and including 30 June 2025, a provisional licence shall automatically be issued, which is valid at the earliest from 1 January 2025 and expires on 30 June 2025. If the Danish Gambling Authority's examination of the application shows that it can be granted, the provisional licence, cf. the first sentence, shall be replaced by an actual licence in accordance with the general rules. If, on the other hand, it is found that the application cannot be accepted, the provisional licence shall lapse, cf. the first sentence.

## *Comments on the draft Act*

### *General comments*

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## 1. Introduction

The Government (Socialdemokratiet [Social Democrats], Venstre [Liberal Party] og Moderaterne [Moderates]), Danmarksdemokraterne (Denmark Democrats), Socialistisk Folkeparti (Green Left), Liberal Alliance, Det Konservative Folkeparti (Conservative People's Party), Enhedslisten (Red-Green Alliance), Radikale Venstre (Social Liberal Party), Dansk Folkeparti (Danish People's Party) and Alternativet (The Alternative) concluded on 20 March 2024 an agreement on 'Simpler rules for lotteries and 'banko''. The objective of the agreement is to simplify the rules for non-profit lotteries and to enable bingo associations to organise bingo where the game and social contacts are the main focus.

The draft Act gives effect to the agreement. More specifically, it is proposed that the requirements for non-profit lotteries should depend on the annual sales price, thus gradually increasing the requirements as the sales price increases. At the same time, it is proposed that the breakdown between public and association lotteries be repealed so that being a member of an association is no longer a requirement for participating in an association lottery. At the same time, it is proposed that non-profit lotteries should be fully exempted from paying taxes on winnings, so that more money goes to non-profit purposes. It is also proposed that political parties who are entitled to the Danish Parliament or a national parliament in another EU or EEA country shall be given the opportunity to offer lotteries for the party itself.

It is further proposed to introduce a de minimis threshold for land-based lotteries where the organisation of the lottery is not required.

It is also proposed that land-based bingo can be organised on the liberalised market in order to make it possible to offer bingo without having to meet the requirements of non-profit lotteries. This would allow to offer land-based bingo on an equal footing with other liberalised games in the land-based market. The game will be subject to the same tax rate as gaming machines with winnings. The 41 % tax rate is gradually phased in over 3 years.

A number of points of the agreement will be implemented at Order level. This applies, for example, to rules on accounting, information to players, licence requirements and winnings. The intended implementation at Order level is described in the remarks on the individual provisions of the draft Act.



It has also been agreed that the proposed regulations on non-profit lotteries and land-based bingo shall be evaluated on an ongoing basis and followed up until 2027, and that an analysis of the tax rates for the gambling sector shall be carried out in 2026.

The draft Act does not alter the fact that there is still a monopoly on the organisation of lotteries in Denmark.

It should be noted that on 25 March 2024, in the light of the political agreement ‘Simpler rules for lotteries and banko’, the Director of Public Prosecution requested all posts to suspend all pending cases covered by the political agreement and the expected legislative amendment for the time being.

Cases affected will, after entry into force of the Act, be resumed and processed in accordance with § 3(1) of the Criminal Code. This means that pending criminal proceedings, which cover matters that, following the amendment of the Act, are no longer punishable, will not have to be pursued by the authorities.

However, criminal proceedings which cover matters that are punishable both before and after the amendment of the law, may continue to be pursued.

A large proportion of the cases put on hold concern the question of whether the objective of the association has mainly been to organise bingo events, and in some cases also whether the members had such a close connection to the association that there was genuine membership and association formation.

After the amendment of the Act, there will no longer be a requirement that the objective of the association must not be solely or predominantly to hold lotteries, nor will it be a requirement that only the members of the association and their relatives may participate in the lottery. This type of case will therefore, in principle, no longer be punishable after the legislative amendment.

## **2. Main points of the draft Act**

### **2.1. Simpler rules for non-profit lotteries**

#### **2.1. 1. Legislation currently in force**

A lottery is a game in which a stake is paid and where chance determines who wins a prize. Some of the most common types of lotteries are lotto, bingo, scratch cards, lottery tickets and tombola.

Bingo is covered by both the terms 'bingo' and 'banko' in Danish.

In Denmark, there is a priori a monopoly on lotteries. The monopoly means that only 'Danske Lotteri Spil' (Danish Lottery Games), 'Klasselotteriet' (the Class Lottery), 'Varelotteriet' (the Danish Lottery) and 'Landbrugslotteriet' (the Agricultural Lottery) may offer lotteries.

Non-profit lotteries are an exception to the monopoly on lotteries. All the surplus from the lottery must be donated to the non-profit purpose for which a licence has been granted. The term 'non-profit purposes' also includes the term 'charitable purposes'.

§ 10(1), first sentence, of the Gambling Act states that a licence may be granted for lotteries organised solely for charity or other non-profit purposes. There is no distinction between small and large lotteries and therefore all non-profit lotteries, regardless of their size and sales price, are subject to the same requirements.

Licences for the organisation of non-profit lotteries may be granted to associations, institutions and committees composed of at least three persons. Only one non-profit lottery may be authorised at a time and the selling period may not exceed 2 months, but may exceptionally be extended to 6 months. In practice, however, a derogation is always granted for an extension to 6 months upon request.

§ 10(1), second sentence, of the Gambling Act states that non-profit lotteries may not be organised for political purposes.

Order No 1288 of 29 November 2019 on non-profit lotteries states that at least 35 % of the sales price must go to the non-profit purpose for which a licence has been granted.

At the same time, it states that, in order to participate in association lotteries, a membership of the association which organises the lottery or being a close relative of the member is required

§ 5 of the Gaming Duties Act states that non-profit lotteries are subject to the rules on taxes on winnings.

## **2.1. 2. Considerations of the Danish Ministry of Taxation and the proposed scheme**

There has been a desire for the rules on non-profit lotteries to be simplified, while at the same time focusing on the donation element.

It is proposed to introduce a new model for non-profit lotteries, where requirements and supervision depend on the annual sales price.

It is proposed that a de minimis threshold be introduced whereby, for land-based lotteries with an annual sales price of less than DKK 15 000, no requirements are imposed on the organiser, purpose, organisation or surplus. Land-based lotteries below the de minimis threshold are also not subject to supervision by the Danish Gambling Authority and no application or registration is required. Land-based lotteries with an annual sales price of less than DKK 15 000 can therefore be organised irrespective of whether donations are distributed for a non-profit purpose or not. However, there may be associations that want a licence, regardless of the fact that the expected sales sum is less than DKK 15 000. The proposed rules will therefore make it possible to obtain a licence if this is desired, even if the expected sales sum is less than DKK 15 000. When the holding takes place on the basis of a licence granted, the requirements for the licence granted shall be complied with.

It is proposed that the Danish Gambling Authority may grant licences for non-profit lotteries within the following ranges based on the total sales price from the operation of lotteries over 12 months:

- 1) From DKK 15 000 up to and including DKK 200 000.
- 2) From DKK 200 000 up to and including DKK 5 000 000.
- 3) Over DKK 5 000 000 up to and including DKK 100 000 000.

It is proposed that licences under Category 1 can only be granted to associations with a CVR (Central Business Register) or SE (former Central Business Register) number and publicly sponsored entities, while licences under Categories 2 and 3 may be granted to associations, foundations, non-profit institutions and companies with a CVR or SE number, except sole proprietorships or smaller sole proprietors.

It is proposed that licences may be granted for one year or three years. Licences granted for three years shall be issued as three consecutive licences of 12 months.

All the surplus is still required to be donated for a non-profit purpose. Other requirements depend on the annual sales price.

It is intended to adjust the thresholds in line with price developments at appropriate intervals.

Licences to organise lotteries in the category from DKK 15 000 up to and including DKK 200 000 may be granted to associations and publicly sponsored entities. The other licences may be granted to associations, foundations, non-profit institutions and companies, with the exception of sole proprietorships and smaller sole proprietors, as they have a structure in which the company and the owner are identical.

Consequently, with the amendment, committees or associations without a CVR number can no longer obtain a licence for the operation of non-profit lotteries. On the other hand, the group is expanded to foundations, companies, publicly sponsored entities and non-profit institutions. It is intended to enable a wider group of persons to obtain a licence for donation to a non-profit purpose, while at the same time ensuring efficient administration of the sector.

The applicable rules in Order No 1288 of 29 November 2019 on non-profit lotteries state that licence can only be granted for one lottery at a time. It is intended to soften this requirement by amending the Order. The Order is therefore intended to provide that for the licence categories up to and including DKK 5 million and up to and including DKK 100 million, a maximum of 12 lotteries can be organised over the licence period (12 months) and two lotteries in connection with a nationally broadcast radio or television programme.

On the other hand, it is not the intention to specify, for the licence category up to and including DKK 200 000, the amount of lotteries that can be organised during the licence period (12 months).

It is not the intention, for any of the three licence categories, to limit the number of lotteries operated as bingo that can be organised during the licence period.

It is proposed that the surplus level should not be required for the licence category up to and including DKK 200 000, while the amount of the surplus is required in the other licence categories. This is thus a relaxation of the current rules, which require a surplus of at least 35 % for all non-profit lotteries.

The purpose of the relaxation is to make it easier to donate for the good purpose in question. It is not intended to extend the framework to such an extent that actual commercial operations may take place.

The Orders to the Act are intended to impose requirements on the winnings and the maximum level of winnings. In the licence category up to and including DKK 200 000, it is proposed that the maximum winnings value should be DKK 750 for winnings in kind and DKK 200 for gift cards. It is intended to introduce a prohibition on cash winnings in this category and to prohibit the conversion of gift cards into cash. In the other licence categories, no maximum value is envisaged for winnings unless the lottery is operated as bingo. If the lottery is organised as bingo, the maximum value of cash winnings may be DKK 5 000. The requirement is a relaxation of the previous requirements in Order No 1288 of 29 November 2019 on not-for-profit lotteries, in which the value of each win, whether it is goods or cash, may not exceed DKK 5 000. This will be a relaxation of the requirements in force as it only proposes a maximum amount of cash winnings. The continuation of the requirement that the individual cash winnings may not exceed DKK 5 000 in connection with bingo is justified by the fact that there is no limit on the frequency of bingo events and that there is no age limit to participate in non-profit lotteries.

It is proposed to move away from the current licence structure in § 8(1) of Order No 1288 of 29 November 2019 on non-profit lotteries, where lotteries can be operated without a licence if the lottery meets certain conditions, including the membership requirement. It is proposed that memberships will not be required for any of the licence categories in the future.

It is also proposed that the tax on winnings for non-profit lotteries be eliminated. This increases the surplus and thus the distribution to the non-profit purposes.

At the same time, it is proposed to extend the possibility of organising non-profit lotteries so that political parties can organise lotteries for their own benefit in the future. In some contexts, associations with political purposes are already considered to be of general interest. They are, for example, exempt from VAT under certain conditions. Political parties are only understood to mean parties who are entitled to stand for the Folketing or a national parliament in another EU or EEA country in order to avoid discrimination contrary to the TFEU.

It is estimated that the vast majority of lottery organisers will be Danish and the distribution of the surplus will mainly be for local or national non-profit purposes.

Since it cannot be excluded that foreign associations, etc. wish to organise lotteries for non-profit purposes in Denmark or outside Denmark, and that Danish organisers wish to distribute the surplus for non-profit purposes outside Denmark, it is considered that discrimination would be contrary to the interests which, according to the case-law of the Court of Justice of the European Union, can legitimately be pursued within the framework of the TFEU in connection with the regulation of the gambling sector if foreign organisers cannot obtain a licence solely because the organiser is established outside Denmark or if distributions for a non-profit purpose outside Denmark cannot be made.

It is therefore intended that an organiser who meets the conditions for a licence to organise a non-profit lottery in Denmark and who is established in another EU or EEA country will be able to obtain a licence for lotteries for a non-profit purpose. Furthermore, the distribution may be made for a non-profit purpose in an EU or EEA country other than Denmark. For example, a licence holder established in Germany will be able to obtain a licence to organise a non-profit lottery in Denmark and distribute the surplus to a non-profit purpose in Denmark or in another EU or EEA country. The not-for-profit lottery shall be held in Denmark itself.

The same applies if a licence is sought to hold a lottery for the benefit of a political party which is authorised to stand for parliament in another EU or EEA country. In these cases, permission may be granted if the political party is to stand for the parliament corresponding to the Danish Parliament.

For more details on the requirements for the non-profit lotteries, reference is made to § 1, No 2, of the draft Act and the remarks relating thereto.

## **2.2. Liberalisation of land-based bingo**

### **2.2. 1. Legislation currently in force**

Land-based bingo can currently only be offered in accordance with the rules on non-profit lotteries laid down in § 10 of the Gambling Act and Order No 1288 of 29 November 2019 on non-profit lotteries. For a detailed description, reference is made to point 2.1.1.

Many associations in Denmark meet solely with the primary objective of playing bingo, which is an important social activity in their daily lives. As it is the social contacts and not the distribution element that are the main focus, these associations cannot meet the requirements currently applicable to non-profit lotteries, including the requirement that the surplus should be at least 35 % and that all the surplus be distributed for a non-profit purpose.

## 2.2. 2. Considerations of the Ministry of Taxation and the proposed scheme

The political agreement entitled ‘Simpler rules for lotteries and “banko”’ provides that it should be possible for bingo associations to organise bingo where the game and social contacts are the main focus.

Bingo refers to both the ‘bingo’ and ‘banko’ types of games.

It is therefore proposed that licences to offer land-based bingo be liberalised so that land-based bingo can be operated on the liberalised market and not only as a non-profit lottery in the future. The offering of land-based bingo would thus be an exception to the monopoly.

It is proposed that the offering of land-based bingo on the liberalised market would be subject to other requirements than bingo conducted as a non-profit lottery. For example, it is proposed to limit the access to premises where liberalised bingo is played to persons over the age of 18. At the same time, this would mean, for citizens, that the Danish Gambling Authority may, upon providing identification and without a court order, require all the necessary information to be provided by persons present in premises where liberalised bingo is organised for the purposes of monitoring compliance with the age requirement of 18 years.

It is proposed that the Danish Gambling Authority should be able to issue land-based bingo licences for up to 5 years at a time. When submitting the application, an application fee of DKK 15 900 shall be paid. (2010 level), corresponding to DKK 20 000 (2024 level), while for re-applications only DKK 7 900 shall be paid. (2010 level), corresponding to DKK 10 000 (2024 level). The application fee finances the expenses incurred by the Danish Gambling Authority in issuing the licences.

During the licence period, a supervision fee based on the licence holder’s gross gambling revenue shall be paid to finance supervision by the Danish Gambling Authority.

It is also proposed to introduce a tax in line with the remaining liberalised land-based market. It is proposed that this tax should be phased in gradually over a three-year period, ending at 41 % in 2028, equal to the basic tax on gaming machines with winnings.

For more details on the proposals for the non-profit lotteries, reference is made to § 1, No 2, of the draft Act and the remarks relating thereto.

### **3. Financial impact and implementation impact on the public sector**

#### **3.1. Financial impact on the public sector**

The proposal to abolish taxes on winnings for non-profit lotteries is estimated to result in an annual reduction in revenue of approximately DKK 5 million after static revenue change and revenue change from behavioural responses, while the proposal to give the possibility to offer bingo on the liberalised market is estimated to result in additional annual revenue after static revenue change and revenue change from behavioural responses of approximately DKK 10 million once the tax has been fully phased in. Overall, the draft Act is therefore estimated to result in an additional revenue of approximately DKK 1.5 million in 2025, rising to around DKK 5 million per year after static revenue change and revenue change from behavioural responses, once the tax has been fully phased in in 2028, *cf. Table 4.1*.

The Bill is not considered to have any impact on municipalities and regions.



**Table 3.1. Revenue impact from the abolition of taxes on winnings for non-profit lotteries and the phasing-in of taxes for liberalised land-based bingo**

DKK million (2024 level)	2025	2026	2027	2028	Permanent	Financial year 2025
Direct impact	2	4	5	5	5	2
Impact after static revenue change	1.5	3	4	5	5	
Impact after static revenue change and revenue change from behavioural responses	1.5	3	4	5	5	

### 3.2. Implementation impact on the public sector

The draft Act entails an implementation impact on the State in the form of guidance and information campaigns, as well as the implementation of a new IT system for the application process for applications for licences to organise non-profit lotteries.

The draft Act, taken in isolation, is estimated to entail administrative costs for the Tax Administration amounting to DKK 1.3 million in 2024, DKK 7.4 million in 2025, DKK 7.2 million annually in 2026-2029 and DKK 7.0 million sustainably from 2030. The draft Act, taken in isolation, is estimated to entail administrative costs for the Tax Administration of DKK 0.6 million in 2025 and DKK 0.1 million for system development in the period 2025-2030. The draft Act may entail additional expenses for the cost reimbursement system. The estimate of the expenses is subject to considerable uncertainty, but is estimated to be approximately DKK 0.5 million in the period 2026–2027.

The Bill is not considered to have any impact on municipalities and regions.

As regards the seven principles of legislation ready for digitalisation, it should be noted that the provisions of the draft Act are drafted as simple and clear as possible (principle 1). An already existing digital solution is used for communication with licence holders and citizens (principle 2). It will be possible for the Danish Gambling Authority to take fully or partially automatic decisions regarding licences to offer non-profit lotteries (principle 3). It will not be possible to take fully or partially automatic decisions on applications for licences for land-based bingo, as these will require manual case handling due to the assessments that have to be carried out. As far as possible, the same terms as those used in the gambling sector have been used (principle 4). All incoming data is stored and processed in

the Danish Gambling Authority's IT system and in accordance with the rules and procedures implemented (principle 5). In addition, the methods of transmission already used by the Danish Gambling Authority for communication with licence holders (principle 6) will also be used. Among other things, the draft Act aims to ensure that the Danish Gambling Authority can effectively supervise lotteries and thus prevent fraud and errors (principle 7), for example by introducing technical requirements for some types of games in the long term.

#### **4. Economic and administrative impact on business, etc.**

##### **4.1. Economic impact on business**

The draft Act could have a positive economic impact on business by making it possible to obtain a licence for offering land-based bingo, which may lead to income and jobs. However, that cannot be further quantified.

##### **4.2. Administrative impact on business**

The Bill is considered to have an administrative impact on business. The impact consists of a number of administrative burdens. The overall impact is estimated to be less than DKK 4 million, which is why it is not further quantified.

Innovations- og iværksættertjekket (the Innovation and Entrepreneurship Check) is not considered relevant to the draft Act as the proposal does not affect the ability of companies or entrepreneurs to test, develop and apply new technologies and innovation.

#### **5. Administrative impact on citizens**

The draft Act is estimated to bring about administrative simplification for citizens and small associations run on a voluntary basis by citizens offering land-based lotteries with an annual sales price of up to DKK 15 000, where there are no longer any requirements for the organiser, purpose, offer or surplus.

#### **6. Climate impact**

The draft Act is not considered to have any climate impact.

#### **7. Impact on the environment and nature**

The draft Act is not considered to have any impact on the environment or nature.

## **8. Relationship to EU law**

The draft Act has been notified in accordance with Directive (EU) 2015/1535 of the European Parliament and of the Council (Information Procedure Directive).

In order to assess whether a measure constitutes State aid, Article 107 TFEU requires an examination of whether (i) there is an economic advantage, (ii) the funds are granted from State resources (iii) to certain companies or the production of certain goods and (iv) thereby distorts competition and affects trade between Member States. These conditions must all be fulfilled before State aid is involved.

In the opinion of the Ministry of Taxation, the tax exemption for non-profit lotteries does not constitute State aid within the meaning of the Treaty, since the tax exemption does not distort or affect trade between Member States. However, the Ministry of Taxation considers that the phasing-in of the tax for land-based bingo on the liberalised market constitutes State aid within the meaning of the Treaty, since during the phasing-in period, land-based bingo providers pay less tax than other land-based game offers. However, it is considered that the aid can be covered by the de minimis scheme, cf. Regulation 2023/2831 of 13 December 2023 on the application of Article 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid, which entered into force on 1 January 2024. The new de minimis Regulation provides, inter alia, for an increase of the aid ceiling to EUR 300 000 per company over a period of three years, which was previously EUR 200 000, and is applicable until 31 December 2030.

Moreover, the draft Act is not considered to contain any aspects of EU law.

## **9. Consulted government authorities/agencies and organisations, etc.**

The draft Act was sent for consultation to the following authorities and organisations, etc. in the period from 1 July 2024 to 22 August 2024 (52 days):

Advokatsamfundet (Danish Bar Association), Arbejderbevægelsens Erhvervsråd (Economic Council of the Labour Movement), Bankforeningerne i Danmark (BFID), Borger- og retssikkerhedschefen i Skatteforvaltningen (The Danish Tax Agency's Director of Legal Protection), CEPOS, Cevea, Danmarks Idrætsforbund (National Olympic Committee and Sports Confederation of Denmark), Dansk Automatbrancheforening, Dansk Erhverv (Danish Chamber of Commerce), Dansk Handicapforbund,

Danske Forsamlingshuse, Dansk Trav og Galop Union (Union of the Danish Federation of Trotting Races and the Danish Jockey Club), Danske Advokater (The Association of Danish Law Firms), Danske Regioner, Dataetisk Råd (the Data Ethics Council), DGI, DI, Digitaliseringsstyrelsen (Danish Agency for Digital Government), DUF (Dansk Ungdoms Fællesråd [Danish Youth Council]), Erhvervsstyrelsen – Område for Bedre Regulering (OBR) (The Danish Business Authority, Area for Better Regulation), Finans Danmark (Finance Denmark), Foreningen Danske Revisorer, FSR - danske revisorer (FSR - Danish Auditors) HORESTA, Indsamlingsnævnet, Indsamlingsorganisationernes Brancheforening (ISO-BRO), Justitia, Kasinoforeningen (Casino Association), Kommunernes Landsforening (Local Government Denmark), Kraka, Landbased Gambling Association Denmark (LGA), Landsskatteretten (the National Tax Tribunal), Producentforeningen (Danish Producers' Association), Skatteankeforvaltningen, SPILLEBRANCHEN, SRF Skattefaglig Foreningen, Statsadvokaten for Særlig Kriminalitet, Teleindustrien

## 10. Summary table

	Positive consequences/reduction in expenditure (If yes, please specify extent/if no, enter 'None')	Negative consequences/additional expenditure (If yes, specify extent/if no, enter 'None')
Economic impact on the State, municipalities, and regions	The proposal to offer bingo on the liberalised market is estimated to lead to an increase in tax revenues equal to additional annual revenue after static revenue change and revenue change from behavioural responses of DKK 10 million.	The proposal to exempt non-profit lotteries from paying taxes on winnings is estimated to result in a lower revenue for the State in the form of less revenues, which are estimated to be DKK 5 million per year.
Implementation impact on the State, municipalities, and regions	None	The draft Act, taken in isolation, is estimated to entail administrative costs for the Tax Administration amounting to DKK 1.3 million in 2024, DKK 7.4 million in 2025, DKK 7.2 million annually in 2026-2029 and DKK 7.0 million sustainably from 2030. The draft Act, taken in isolation, is estimated to entail administrative costs for the Tax Administration of DKK 0.6

		million in 2025 and DKK 0.1 million for system development in the period 2025-2030. The draft Act may entail additional expenses for the cost reimbursement system. The estimate of the expenses is subject to considerable uncertainty, but is estimated to be approximately DKK 0.5 million in the period 2026–2027. The Bill is not considered to have any impact on municipalities and regions.
Economic impact on business	The draft Act is deemed to have a positive economic impact on business, as it will be possible to obtain a licence for land-based bingo, which could lead to income and jobs. This cannot be further quantified.	None
Administrative impact on business	None	The Bill is considered to have an administrative impact on business. The impact consists of a number of administrative burdens. The overall impact is estimated to be less than DKK 4 million, which is why it is not further quantified.
Administrative impact on citizens	The draft Act is estimated to bring about administrative simplification for citizens and small associations offering land-based lotteries with an annual sales value of up to DKK 15 000, where there are no longer any requirements for the organiser, purpose, offer or surplus.	None
Climate impact	None	None
Impact on the	None	None

environment and nature		
Relationship to EU law	<p>The draft Act will be notified in accordance with Directive (EU) 2015/1535 of the European Parliament and of the Council (Information Procedure Directive).</p> <p>In the opinion of the Ministry of Taxation, the tax exemption for non-profit lotteries does not constitute State aid within the meaning of the Treaty, since the tax exemption does not distort and affect trade between Member States. However, the Ministry of Taxation considers that the phasing-in of the tax for land-based bingo on the liberalised market constitutes State aid within the meaning of the Treaty, since during the phasing-in period, land-based bingo providers pay less tax than other land-based game offers. However, it is considered that the aid can be covered by the de minimis scheme, cf. Regulation 2023/2831 of 13 December 2023 on the application of Article 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid.</p> <p>Moreover, the draft Act is not considered to contain any aspects of EU law.</p>	
Contravenes the five principles for the implementation of professional EU regulation (which, where relevant, also applies to the implementation of non-professional EU regulation) (put X)	Yes	No  X

*Explanatory notes on the individual provisions of the draft Act*

*Re § 1*

Re No 1

There is, in principle under current law, a monopoly on the offering of lotteries, which means that, in principle, only ‘Danske Lotteri Spil’, ‘Klasselotteriet’, ‘Varelotteriet’ and ‘Landbrugslotteriet’ may obtain a licence for the offering of lotteries. The only exception to the monopoly is the offering of non-profit lotteries, where all the surplus goes to a charitable or non-profit purpose.

It is proposed to insert a new § 3(3), according to which the organisation of land-based lotteries, where the total annual sales sum is less than DKK 15 000, does not require licences, but licences can be granted, cf. § 10.

The proposal introduces a de minimis threshold for land-based lotteries. It is proposed that the de minimis threshold be set at an annual sales sum below DKK 15 000. This means that for lotteries below the de minimis threshold there is no requirement to obtain a licence and that the Danish Gambling Authority need not be informed of the conduct of the lottery. Thus, there will be no requirement for the provider, purpose, organisation or surplus.

The de minimis threshold will therefore be an exception to the fact that only lotteries organised by monopoly companies under §§ 6 and 8 of the Gambling Act and as non-profit lotteries under § 10 of the Gambling Act may be organised in Denmark.

The de minimis threshold covers the operation of land-based lotteries and is thus limited to a physical offer.

§ 5(1)(9) of the Gambling Act defines land-based games as games entered into when a player and a game provider meet physically. There must be a physical element when the game is land-based, such as that the game is offered at physical locations or where premises or equipment are physically provided.

The de minimis threshold is proposed to be set at an overall annual sales sum from lottery settlement of less than DKK 15 000. The limit is considered to be so low that it does not compromise consumer protection.

The de minimis threshold is set as a total annual sales price and not as a sales price per lottery. This is because the rules can otherwise be used for gaming club activities with high-frequency gambling with individual sales totals below the de minimis threshold.

The de minimis threshold will cover all types of land-based lotteries providers, regardless of their structure and purpose, including, inter alia, retirement homes, staff associations, school classes, associations of landowners and private individuals. The de minimis threshold would therefore cover both non-profit and profit-making lottery offers.

It will be possible for providers of lotteries for a non-profit purpose or for a political party with a total annual sales price of less than DKK 15 000 to apply for a licence under § 10(2-4) of the Gambling Act, according to which they will be considered as a licence holder with the corresponding requirements.

#### Re No 2

According to § 10(1) of the Gambling Act and Order No 1288 of 29 November 2019 on non-profit lotteries, lotteries organised solely for charity or other non-profit purposes may be authorised. Non-profit lotteries must not be organised for political purposes. Under the Order, associations may, under certain conditions, organise non-profit lotteries for their members without having a prior licence.

It is proposed in § 10(1) that licences may be granted for the organisation of land-based lotteries for a charitable or non-profit purpose or for a political party entitled to put forward candidates in the Danish Parliament or a national parliament in another EU or EEA country, which are organising lotteries for their own benefit. All the surplus from the lottery must go to the purpose(s) for which a licence has been granted.

The proposed amendment will require licences for all non-profit lotteries, unless the lotteries are below the de minimis threshold of DKK 15 000 in annual sales price.

The proposal provides that the holding of lotteries for a non-profit purpose or a political party should be land-based.



§ 5(1)(9) of the Gambling Act defines land-based games as games entered into when a player and a game provider meet physically.

The proposal means that the lottery event itself, where winners are announced, cannot take place online, for example, in the context of a live lottery event operated on an online platform. Limiting the offer to a physical offer is a continuation of the prohibition on the use of electronic terminals laid down in Order No 1288 of 29 November 2019 on non-profit lotteries.

A non-profit lottery shall therefore, as a general rule, be based on land. However, it is possible to insert certain exceptions to this general rule. It is expected that in the Order on non-profit lotteries, which will replace Order No 1288 of 29 November 2019 on non-profit lotteries, certain limited opportunities for holding the lottery are set out in a way that does not involve a physical meeting between the licence holder and the participant, cf. more on this in the comments on § 10(7).

The term ‘not-for-profit’ shall be understood in accordance with the explanatory notes to the Corporation Tax Act, as amended by Act No 1179 of 8 June 2021, cf. the Official Record of Danish Parliamentary Proceedings 2020–21, Appendix A, L 211, as submitted, page 8. In order for a purpose to be considered as charitable or otherwise non-profit, it is necessary for the range of possible recipients that may be considered in the distributions to be defined in accordance with objective guidelines. The purpose must also benefit a certain wider group of persons. An association, etc. may, however, be considered to be charitable or otherwise non-profit, even if only a single person or institution receives an award from the association, etc., as long as the recipient in question has been chosen as one of many possible beneficiaries. Additionally, in order for a purpose to be regarded as charitable, it is necessary that the aid is granted to beneficiaries who are in financial need, whereas a non-profit objective is deemed to exist where, from a generally prevailing point of view, it can be characterised as useful. Among such non-profit purposes are social, artistic and other cultural purposes, and scientific purposes, including research, disease control or humanitarian purposes. Sports associations could also be considered non-profit-making. The decisive factor is therefore whether the specific distribution can be said to be covered by a charitable or other non-profit purpose, which depends on a specific assessment.

Thus, a charitable purpose of general interest is also covered by the definition of a non-profit purpose, but a non-profit purpose does not need to be a charitable purpose of general interest.

The fact that the word ‘charitable’ is not included in the proposal for the wording of the provision in § 10(1) of the Gambling Act, compared with the current § 10(1) of the Gambling Act, does not intend to change the interpretation of what the concept of ‘non-profit’ covers. The term ‘not-for-profit’ should therefore be interpreted in accordance with current practice.

A social purpose cannot be regarded as being non-profit if the social purpose is linked to gambling, which would be the case, for example, if the purpose of the lottery is solely to collect money for the operation of a subsequent lottery. The intention is to exclude the possibility for a licence holder to collect money through lotteries to finance gambling activities, even though it is at the same time a social arrangement.

It is proposed to remove the prohibition on organising non-profit lotteries for political purposes.

A political party means solely a party that is entitled to stand as candidates in the Danish Parliament under the Act on elections to the Danish Parliament. However, in order to avoid discrimination, it will also be possible to apply for a licence to hold a lottery for the benefit of a political party which is entitled to be stand for parliament in another EU or EEA country. In these cases, permission may be granted if the political party is to stand for the parliament corresponding to the Danish Parliament.

The proposed amendment will provide for the possibility for political parties to organise lotteries for their own benefit in the future. The organisation of lotteries by political parties for their own benefit must be organised in such a way as to take account of the Party Funding Act.

It is proposed that all the surplus from the lottery organised with the licence in question should be allocated to the non-profit purpose(s) or political party for which a licence has been granted. Provision for the licence holder’s own funds would thus not be allowed, as this cannot be equated with distribution for a non-profit purpose or for the benefit of a political party. Provision for own funds would thus be contrary to the purpose of operation of the lottery, which can only be organised for non-profit purposes or by a political party for its own benefit.

It is not intended to limit the ability of non-profit associations to transfer funds from a non-profit lottery for future use.

Regardless of who the non-profit lottery operator is, there must be a distribution of the entire profit of the lottery. If the provider is at the same time the recipient of the distribution, the profit shall be deemed to have been distributed for the purpose for which authorisation has been granted, as it is a provider that is in itself a non-profit-making association. This is regardless of the fact that the funds actually remain with the same legal entity.

On the other hand, it is the intention of the restriction that providers which are not in themselves non-profit, shall not be able to retain all or part of the profit from a non-profit lottery as a provision for the equity to use for ongoing operational expenses or other financial transactions.

The political agreement ‘Simpler rules for lotteries and “banko”’ of 20 March 2024 provides that lotteries for non-profit purposes or a political party may be offered under the following licence categories based on the total sales revenue over 12 months:

- From DKK 15 000 up to and including DKK 200 000.
- From DKK 200 000 up to and including DKK 5 000 000.
- Over DKK 5 000 000 up to and including DKK 100 000 000.

It is proposed that, in § 10(2-4), provisions on the mentioned licence categories shall be inserted.

Where a licence holder is subject to rules outside the gambling legislation which restrict the licence holder’s ability to conduct lotteries, it is the responsibility of the licence holder to ensure that the conduct of lotteries is carried out in accordance with other legislation.

It is proposed in § 10(2) that licences may be granted to associations and publicly sponsored entities where the lottery has an annual sales price from DKK 15 000 up to and including DKK 200 000, where unpaid voluntary work is only carried out in connection with the lottery. Publicly supported entities are exempt from the rules in Chapter 4, with the exception of § 32.

The proposal introduces a licence category with a range from DKK 15 000 to and including DKK 200 000 in annual sales revenue, according to which lotteries can be issued to associations with a CVR or SE number and pub-

licly sponsored entities where voluntary unpaid labour only takes place in connection with the lottery.

The Order on non-profit lotteries, which is to replace Order No 1288 of 29 November 2019 on non-profit lotteries, is intended to lay down requirements that the winnings in lotteries organised in this licence category may only constitute winnings in kind and gift cards which cannot be exchanged for cash, with a maximum winnings value of DKK 750 for winnings in kind and DKK 200 for gift cards.

Since the objective of the lottery is for it to be operated for non-profit purposes or a political party, it is a requirement that an economic surplus is achieved. However, it is proposed not to set a requirement for the surplus level.

Publicly sponsored entities mean a legal entity that receives public aid from a municipality, region or the State. These may include, for example, activity centres, day-care services, free primary educational establishments, retirement homes and educational services. A publicly sponsored entity may also be part of a municipality, such as a municipal primary school.

In order to be regarded as a publicly sponsored entity under the gambling legislation, the entity must, at the time of the application or in close connection with it, receive aid from a municipality, region or the State. If the public support ceases during a licence period, the conditions for the licence will no longer apply.

It is proposed to exempt publicly sponsored entities from the requirements set out in Chapter 4 of the Gambling Act (Criteria for the offering of games), with the exception of § 32. The reason why publicly sponsored entities are proposed to be exempted from this is that they are providers which do not necessarily have a CVR number or SE number and, therefore, are not legally a legal person that can be accountable for a possible infringement as a responsible person. However, publicly supported entities shall not be exempted from the rule in § 32 of the Gambling Act, which states that conditions may be laid down in licences for the offering of games. It is therefore still the intention that conditions may be introduced in permits for publicly supported entities. The terms may, for example, determine who the person responsible is in connection with an infringement.

There may also be publicly sponsored entities that have a separate CVR number or SE number and which can thus obtain licences to offer lotteries in their own name. This is the case, for example, for free primary educational establishments. However, these publicly sponsored entities are also proposed to be exempted from Chapter 4 of the Gambling Act (Criteria for the offering of games), except for § 32, in order to put all publicly sponsored entities on an equal footing.

It is proposed to introduce a requirement that only voluntary unpaid labour may be used for the operation of lotteries in this licence category, so that the person who carries out work in connection with the operation of lotteries does not receive any remuneration. However, petty expenses can be used for the servicing of unpaid labour, such as meals to a limited extent.

At the same time, the fact that unpaid labour is required in this licence category must be understood as meaning that expenses for lottery vendors, such as salaries or commissions for scouts selling lottery tickets to licence holders, cannot be deducted from the accounts.

It is proposed in § 10(3) that licences for lotteries with an annual sales sum of DKK 15 000 up to and including DKK 5 000 000 in annual sales total may be granted to associations, foundations, self-governing institutions and companies, except sole proprietorships and personally owned small companies, where the lottery has an annual sales total of DKK 15 000 up to and including DKK 5 000 000. In the case of associations, the surplus must represent a minimum of 15 % of the sales price. For others, the surplus must amount to at least 35 % of the sales price.

The proposal introduces a licence category with a range from DKK 15 000 up to and including DKK 5 000 000 in annual sales price, according to which lottery licences can be issued to associations, foundations, non-profit institutions and companies which have a CVR or SE number. However, licences may not be granted to sole proprietorships or smaller sole proprietors, as they have a structure that makes the owner identical to the company.

Since the objective of the lottery is for it to be operated for non-profit purposes or a political party, it is a requirement that an economic surplus is achieved. It is proposed that requirements for the surplus level be set so that there is a requirement for associations that the surplus should account for at

least 15 % of the sales price and that there is a requirement for other licence holders that the surplus should be at least 35 % of the sales price.

The Order on non-profit lotteries, which is intended to replace Order No 1288 of 29 November 2019 on non-profit lotteries, is intended to impose requirements on the level of winnings, so that lotteries organised in the form of bingo as defined by the Act may not give rise to cash winnings whose individual value exceeds DKK 5 000.

In the case of lotteries that are not operated as bingo, it is the intention not to subject the maximum level of winnings to any requirement. Instead, it is expected that the licence holder will be required to organise a maximum of 12 lotteries during the 12 month duration of the licence. This will allow a lot of flexibility for the offer, as the licence holder is free to choose when, during the 12-month duration of the licence period, the lotteries will be operated. Thus, lotteries can be organised in a simultaneous, overlapping or separate manner.

It is the licence holder himself who can organise up to 12 lotteries per 12 months. Thus, licences for more than 12 annual lotteries cannot be obtained if, for example, during the period, the licence holder lets a licence lapse in order to apply for a licence in another licence category. At the same time, it is assumed that a licence holder who receives a licence with a duration of 3 years can organise 12 lotteries every 12 months.

Furthermore, the Order on non-profit lotteries, which is intended to replace Order No 1288 of 29 November 2019 on non-profit lotteries, is intended to lay down rules stipulating that, in addition to the 12 lotteries which may be operated per licence (12 months), two lotteries may be operated in connection with a nationally broadcast radio or television programme. It is intended that the operation period shall not exceed 7 days, that the operation shall take place in connection with a nationally broadcast radio or television programme for non-profit purposes or a political party, and that the sale shall take place only in connection with the operation of the lottery. These particular types of lotteries are intended to be operated without an upper limit on the sales price and without including the sales price in the licence. The proposal is a continuation of § 2(6) of the current Order No 1288 of 29 November 2019 on non-profit lotteries.

It is proposed in § 10(4) that licences for lotteries with an annual sales total exceeding DKK 5 000 000 may be granted to associations, foundations,

non-profit institutions and companies where the lottery has an annual sales total of more than DKK 5 000 000 up to and including DKK 100 000 000, with the exception of sole proprietorships and personally owned companies. The surplus shall amount to at least 35 % of the sales price.

The proposal introduces a licence category with a range of more than DKK 5 000 000 up to and including DKK 100 000 000 in annual sales total, according to which lotteries can be issued to associations, foundations, non-profit institutions and companies which have a CVR or SE number. However, licences may not be granted to sole proprietorships or smaller sole proprietors, as these companies have a structure that makes the owner identical to the company.

It is proposed that a licence holder may only conduct lotteries with an annual sales total of DKK 100 000 000. The purpose of the proposal is to protect the monopoly and ensure that the lotteries do not take the form of commercial operation.

Since the objective of the lottery is for it to be operated for non-profit purposes or a political party, it is a requirement that an economic surplus is achieved. It is proposed that the surplus level be set so that it is a requirement that the surplus should represent at least 35 % of the sales price.

The Order on non-profit lotteries, which is intended to replace the current Order No 1288 of 29 November 2019 on non-profit lotteries, is intended to impose requirements on the level of winnings, so that lotteries organised in the form of bingo as defined by the Act may not give rise to cash winnings whose individual value exceeds DKK 5 000.

In the case of lotteries that are not operated as bingo, it is the intention not to subject the maximum level of winnings to any requirement. Instead, the intention is to require the licence holder to organise a maximum of 12 lotteries during the 12-month duration of the licence. This will allow a lot of flexibility for the offer, as the licence holder is free to choose when, during the 12-month duration of the licence period, the lotteries will be operated. Thus, lotteries can be organised in a simultaneous, overlapping or separate manner.

It is the licence holder himself who can organise up to 12 lotteries per 12 months. Thus, licences for more than 12 annual lotteries cannot be obtained if, for example, during the period, the licence holder lets a licence lapse in

order to apply for a licence in another licence category. At the same time, it is assumed that a licence holder who receives a licence with a duration of 3 years can organise 12 lotteries every 12 months.

It is also intended to set out rules providing that, in addition to the 12 lotteries that can be operated per licence (12 months), two additional lotteries may be operated in connection with a nationally broadcast radio or television programme. It is intended that the operation period shall not exceed 7 days, that the operation shall take place in connection with a nationally broadcast radio or television programme for non-profit purposes or a political party, and that the sale shall take place only in connection with the operation of the lottery. These particular types of lotteries are intended to be operated without an upper limit on the sales price and without including the sales price in the licence. The proposal is a continuation of § 2(6) of the current Order No 1288 of 29 November 2019 on non-profit lotteries.

It is proposed in § 10(5) that licences under § 10(2-4) shall be granted for 1 year or 3 years at a time. Licences may only be obtained if the applicant does not already have a licence for the offering of games under the Gambling Act, except for licences issued under § 18a.

It is intended that regulations are proposed to state in the Order on not-for-profit lotteries, which will replace Order No 1288 of 29 November 2019 on non-profit lotteries, that a licence application can be submitted to the Danish Gambling Authority.

It is intended that regulations will be laid down in the Order on non-profit lotteries that notification of the expiry of an ongoing licence is sent to the licence holder digitally. In order to receive a notification of the expiry of an ongoing licence, it is therefore necessary that the licence holder can receive a notification digitally, for example by email or via digital post.

It is proposed that an applicant should indicate whether a licence is sought for 1 years or 3 years, according to which the Danish Gambling Authority will carry out an assessment of which licence should be granted.

The licence will be valid from the date on which the Danish Gambling Authority issued the licence or the date indicated by the applicant as the desired date of entry into force and will therefore not necessarily follow the calendar year.



It is only possible to have one licence at a time for the offering of lotteries. If the licence holder wishes to apply for a licence in a category other than that for which he has a licence, the licence holder may either wait until the licence expires or inform the Danish Gambling Authority that he wishes the licence to lapse under § 45 in the Gambling Act. A new licence may then be applied for. Notwithstanding the fact that a new licence is obtained, no more than 12 lotteries per year may be organised by the individual licence holder, except in the case of bingo, where there is no maximum number of organised lotteries.

If the licence holder makes use of the option to let his licence lapse, he will be required to draw up accounts for the operation of lotteries on the first licence and to draw up accounts for the subsequent licence on the basis of the accounting requirements applicable to the licence in question.

It will be possible to apply for a licence in a licence category higher than required. The intention is that the provider is free to choose the licence that best suits his offer, and that he thus can voluntarily choose to meet stricter requirements than what is required.

If the authorised sales total is exceeded during the licence period, the part which exceeds the authorised sales price will correspond to organising lotteries without a licence, which is punishable under § 59(1) of the Gambling Act. It is assumed that in these cases penalties will be calculated in accordance with current practice in other types of illegally offered games, where, as a general rule, a fine of twice the estimated illegal earnings is imposed.

The Order on non-profit lotteries, which is intended to replace Order No 1288 of 29 November 2019 on non-profit lotteries, is intended to lay down rules according to which licence holders may not obtain a new licence if the licence holder has organised lotteries in a way that is not in conformity with the rules. This may be the case, for example, where the licence holder has not complied with accounting and distribution requirements.

It is also intended to lay down rules whereby, in exceptional cases, the Danish Gambling Authority may grant a derogation for the issuance of a new licence, even if the licence holder has previously operated lotteries in a manner that has not been in conformity with the rules. This may, for example, be the case where the licence holder has not obtained the minimum distribution under a previous licence, but can describe how the licence holder can operate non-profit lotteries in the future in accordance with the rules.

It is proposed that a licence holder who has a licence to hold lotteries for a non-profit purpose or a political party may not obtain a licence for the offering of another form of gambling game, with the exception that a licence can be obtained for the offering of guessing competitions through SMS under § 18a of the Gambling Act. The prohibition on obtaining other licences is based on the fact that it is not necessary to have knowledge among the general public as a licence holder of non-profit lotteries, while the licence holder is a player on the liberalised market. Guessing competitions through SMS are not considered to be of such a nature that simultaneous permission to do so cannot be obtained.

A licence for the offering of lotteries may be revoked if any of the conditions laid down in § 44 of the Gambling Act are met. For example, it can be considered a serious infringement covered by the revocation right in § 44(1) (1) if the licence holder does not comply with accounting requirements or if the licence holder does not comply with distribution requirements. In addition, a licence for the conduct of lotteries could be revoked if the licence holder has deliberately circumvented the rules governing the conduct of lotteries by, for example, creating several legal entities that coincide with the shareholders, so that each of them can obtain a licence for the conduct of lotteries in a lower licence category. It is expected that rules will be laid down to the effect that these infringements will be punishable at the same time.

It is proposed in § 10(6) that the conduct of class lotteries may not be authorised in accordance with paragraphs 2-4.

This means that licences may not be granted for non-profit lotteries conducted as class lotteries. The provision is intended to protect the monopoly and is a continuation of the current provision in § 10(3) of the Gambling Act, and must be understood in accordance with the preparatory work for the Act, as amended by Act No 1574 of 15 December 2015, cf. Folketingstidende 2015-16, Appendix A, L 15, as submitted, pages 19-20. This states, inter alia, that the provision was introduced with the aim of removing any doubt that lotteries held for public benefit purposes cannot be held as class lotteries. As follows from the definition in § 5(5) of the Gambling Act, a class lottery is a lottery 'which is divided into several classes with separate draws in each class'. Elements that characterise and form part of the assessment of whether a lottery is covered by the definition of a class lottery are, inter alia, that it typically involves ongoing, continuous lotteries, that there is typically a fixed number series (e.g. 1-400 000) in the individual class lot-

teries, that there is typically a fixed prize plan, that there are one or more separated draws in each class lottery, that there is typically a high repayment rate, that the draw(s) is not pre-drawn, that there is typically the possibility of repeat games of the same number from class to class and from lottery to lottery, that there is typically an opportunity to choose all or parts of a number on their own, and that there is one or more different types of lottery. Deviations and variations thereof may be found in the individual class lotteries, but the elements each form part of the overall assessment of whether it is a class lottery.

It is proposed in § 10(7) that the Minister for Taxation may lay down rules on the criteria to be met by non-profit lotteries and political parties in order for licence to be granted, as well as rules on how the lotteries can be conducted.

This is an amendment to the current provision in § 10(2) of the Gambling Act, which states that the Minister for Taxation may lay down rules on the criteria which non-profit lotteries must meet in order for a licence to be granted, or the criteria which non-profit lotteries must meet to be allowed without prior application. The Minister for Taxation may at the same time lay down rules on how lotteries are to be operated.

The proposed amendment should be seen in the context of the fact that all providers of non-profit lotteries that cannot be covered by the de minimis threshold must have obtained a licence to offer non-profit lotteries under the proposed rules. This is a substantial change from the existing rules, whereby, pursuant to Order No 1288 of 29 November 2019 on non-profit lotteries, § 8, associations may, without prior notification or licence under special conditions, operate lotteries for their members.

With the proposed amendment, the Minister of Taxation will continue to have the possibility to lay down rules for the operation of lotteries for of non-profit purposes and political parties. These may include requirements for each licence category, including rules on the lottery offer's form, size, winning structure, winner draw, accounting requirements, technical requirements, requirements in terms of means of payment, marketing and opening hours requirements and surplus distribution requirements. Specific digital exemptions may also be laid down for land-based implementation.

It will also be possible to lay down rules on games pursuant to § 41(1) of the Gambling Act, according to which the Minister for Taxation may lay down rules on games and their execution, refund rates, control measures, approval

and location of technical equipment, information obligations, recording of players, storage of data, measures to protect players, requirements for complaint proceedings, participation of the staff of the licence holder in games, the Danish Gambling Authority's labelling system and the provision of payment to and from an illegal game provider.

The Order on non-profit lotteries, which is intended to replace Order No 1288 of 29 November 2019 on non-profit lotteries, is intended to lay down rules under which intentional or gross negligent infringements of the rules laid down may be punishable by a fine. This is a continuation of existing law. For example, it would be a criminal offence if the licence holder grossly negligently or intentionally infringes the rules on accounting or minimum distribution.

It is intended to lay down a general requirement on the offer that, as a general rule, the operation period of a lottery with a licence should not, as a general rule, exceed 6 months and that the Danish Gambling Authority may exceptionally extend the operation period. This allows the Danish Gambling Authority to extend the operation period beyond 6 months in very exceptional cases. The extension is intended to be used in extremely rare cases of force majeure like, for example, during COVID-19.

This would be an extended continuation of the existing provision in Order No 1288 of 29 November 2019 on non-profit lotteries, where the selling period can exceptionally be extended from 2 months to up to 6 months. In practice, however, a derogation is always granted when requested by a licence holder. Against this background, it is therefore proposed to insert the possibility of a 6-month operation period as the general rule.

The settlement period for a lottery without a pre-drawn lottery consists of the sale period as well as the winning draw and its publication. The settlement period of a lottery with pre-drawn games consists of the sales period. It is intended that the requirement of the maximum duration of the lottery will refer to the total operation period and not just the selling period, as the concern is that participants in the lottery should not wait for more than 6 months from the purchase to the winner draw, which in itself may seem as a long period from the first purchase to the end of the lottery.

The intention is to continue the requirement in § 6(4) of the current Order No 1288 of 29 November 2019 on non-profit lotteries which stipulates those lotteries must be purely random and operated safely. The Danish Gambling

Authority may, where appropriate, ask licence holders to describe how the operation is taking place randomly and safely.

The provision provides for a concrete estimate and is formulated broadly in order to take account of the diversity of the offer, both from an economic point of view and in relation to the various lottery concepts.

The provision states that participants must not have skills which result in some participants having greater winning chances than others, as the lottery would then not be purely random.

In order to ensure the safe operation of lotteries, the Order on non-profit lotteries, which is intended to replace Order No 1288 of 29 November 2019 on non-profit lotteries, is intended to lay down rules providing that participants in a lottery may not themselves have brought or selected their tickets, which is also a requirement for bingo cards. However, that would not prevent the licence holder from giving participants the option of choosing a predesigned ticket or card by the licence holder, provided that this does not otherwise compromise the random element and the safe operation of lotteries. At the same time, the licence holder shall ensure that the same ticket is not given or delivered to several participants in the lottery if no multiple winnings can be linked to the same ticket, and a licence holder conducting lotteries with a pre-draw shall not know the winning numbers before the end of the selling period. At the same time, the delivery of tickets must take place randomly, so that winning tickets are not sold only after all the losing tickets have been sold.

The Order on non-profit lotteries, which is intended to replace the current Order No 1288 of 29 November 2019 on non-profit lotteries, is intended to introduce a prohibition on the installation of bingo machines at an establishment where non-profit lotteries in the form of bingo are conducted. Thus, it is not the intention that a participant shall be able to play bingo on a bingo machine where the game is separate and not with other participants. The participant, by contrast, must participate in a bingo event operated with several participants. It is essential that the operation takes place with several participants and that bingo is not being played against the licence holder.

At the same time, it is intended to introduce in the Executive Order certain limited exceptions to the general rule that non-profit lotteries shall, as a general rule, take place on a land-based basis. In addition to an exception that the lotteries may be held in connection with a nationwide radio or television

programme, cf. the comments on § 10(3) and (4), the intention is that exceptions should be laid down which allow for the purchase and sale of tickets to be done via distance communication.

Where lotteries are operated without a pre-draw and at the same time as the pre-sale, it is intended to lay down rules whereby the sale and distribution of tickets can take place online and thus by means of distance communication. This means that the licence holder who operates lotteries without a pre-draw may choose to give the tickets without the use of physical mail, thus saving printing, postal and other shipping costs.

A lottery without a pre-draw means a lottery where the winning numbers are only drawn after the purchase. Thus, the participants in the lottery are only able to see whether they have won a prize when the winning numbers are drawn.

For lotteries with a pre-draw, the Order on non-profit lotteries, which is intended to replace Order No 1288 of 29 November 2019 on non-profit lotteries, is intended to lay down rules whereby licence holders must be able to offer and sell tickets by means of distance communication, but that tickets must be delivered physically to the participants, either by shipping or collection.

A lottery with a pre-draw means a lottery where the winning numbers are drawn before the tickets are sold. This allows the participants in the lottery to see whether they have won a prize immediately after the purchase.

Distance communication is defined in identical terms to the interpretation in § 5(1)(8) of the Gambling Act and is to be understood broadly. Distance communication means communication that takes place without the player or licence holder meeting physically, for example by using the internet, a telephone, television, radio, mobile phone, videotext (PC, television screen) with a keyboard or sensor screen or electronic mail (email).

The rules are intended to be continuously adapted in the light of technological developments and needs.

The Order on non-profit lotteries, which is intended to replace the current Order No 1288 of 29 November 2019 on non-profit lotteries, is intended to lay down rules providing that only cash payments or payments from a payment service provider lawfully offered in Denmark under the Act on pay-

ments may be received. This includes payments with 'Dankort', VISA cards, MasterCard, 'MobilePay', PayPal, etc.

The Order is also intended to lay down rules providing that, for the offering of lotteries for a non-profit purpose or a political party, irrespective of the concept of the lottery, extra draws may be offered where the extra draws and level of winnings constitute only a negligible and ancillary part of the total prize money of the main lottery. When assessing how high the value of an increase in the value may be, the value shall be compared with the value of the total winnings in the main lottery to which the additional charge is attached.

Extra draws shall not be decisive for the purchase.

An extra draw is closely linked to the main lottery and is offered to all participants in the main lottery. All participants must be able to participate on equal terms and without extra stakes being paid. A maximum of one additional draw per main lottery may be held.

It is also intended to lay down rules providing that, for the conduct of lotteries for a non-profit purpose or a political party conducted in accordance with bingo as defined by the Act, side lotteries may be conducted if they are contingent on participation in the bingo game and only constitute a non-substantial part of the sales price of the main game.

A side lottery means a lottery game conducted on an ongoing basis during a bingo event. A side lottery is linked to a main lottery, but a separate stake can be paid to participate in the side lottery. Side lotteries have very different structures and sizes and are often also referred to as side games or pause games, and may include, for example, fast tickets, various types of American lotteries, ticking games and scratch games.

Since side lotteries are run with requirements for participation in bingo games, side lotteries are considered part of this and are subject to the same requirements for the size of winnings as those for bingo games. Side lotteries will not be included in the requirement to operate a maximum of 12 lotteries per licence, but will be subject to the same requirements for the game operation that apply for the licence category under which it is operated, which is why, for example, there is a requirement regarding the maximum value of winnings.

It is intended that, for the conduct of bingo in all licence categories, there are requirements for the opening hours so that the operation cannot take place between 12 p.m. and 7 a.m.. The reason for limiting the opening hours for the operation of bingo is due to the fact that there are no limitations on the frequency for the operation of bingo and no age requirements for participants or sellers for non-profit lotteries. However, this does not prevent the sale of bingo cards between 24:00 and 07:00 if the licence-holder e.g. sells these via a website or the like.

It is intended that, for the conduct of lotteries for a non-profit purpose or a political party, the Order lays down requirements as to how the licence holder carries out the winner draw.

For offers in the licence category from DKK 15 000 up to and including DKK 200 000, it is intended that, in view of the nature of the offer, where there are smaller operations of lotteries without cash winnings and with a limitation on the level of winnings in kind, and that it must be voluntary unpaid work, the Order alone shall require the winner draw to be carried out randomly and safely. The reason for this is that the main objective of this licence category is that it must be simple for the licence holder to offer within that category and to organise the operation of lotteries in a manner that best suits the individual licence holder.

For offers in the licence category from DKK 15 000 up to and including DKK 5 000 000, it is intended that more specific requirements will be laid down as to how the winner draw is carried out. It is intended that a distinction will be made between whether the lottery is a lottery without a pre-draw or with a pre-draw.

In the case of lotteries with a pre-draw as well as for lotteries organised as part of a nationally broadcast radio or television programme, the Order is not intended to lay down specific requirements as to how the winner draw is carried out, but that the winner draw is covered by the general requirement that the lottery shall be operated randomly and safely. The requirement of random and safe operation of lotteries can be met in such a case, for example, by the licence holder ensuring that there is no greater likelihood of selecting one ticket rather than another, for example by ensuring that all tickets are identical for the participants.

For lotteries without a pre-draw, it is intended to require the winner draw to be carried out either in the presence of a notary, in the presence of the participants or by using an authorised random number generator, in such a way



that there is flexibility for the licence holder. If the licence holder chooses to use an approved random number generator, the licence holder shall comply with the technical requirements set by the Danish Gambling Authority for the certification.

This would be an extension of the current requirement laid down in § 5 of Order No 1288 of 29 November 2019 on non-profit lotteries, which requires that the draw is carried out in the presence of a notary. This introduces more flexibility into the winning draw.

It is also expected that the Executive Order introduces the possibility for the Danish Gambling Authority, in special cases, to require the licence holder to use a certified random generator if this is deemed necessary for an adequate lottery settlement. This option will only be available for the licence categories where there are requirements for the size of the surplus.

The Order is intended to require the licence holder to provide the participant in the permission category without requirements for the size of the surplus, prior to the participant's purchase, with information on who is organising the lottery and the purpose for which the lottery is being organised. It is also intended not to require how the information is made available to the participant, including whether the information is provided in writing or orally. However, it is up to the licence holder to prove that the information was made available to the participants in the lottery prior to the purchase being made.

The Order is also intended to require a licence holder to be able, at the request of the participant, to provide information on what can be won and how a participant in the lottery in question can win. The licence holder shall also be able to provide information at the request of the participant about when and how the winner draw is carried out and the relevant guidelines applicable to the lottery in question. This refers to a description of the game offer, which may include, for example, a description of possible side lotteries and differentiated purchase conditions, as well as the maximum number of participants, the winning structure and the like. The licence holder shall also be able to indicate, at the request of the participant, where and when the publication of the result of the winner draw will take place, the place and the final date for the award of winnings, as well as where and when a statement of revenues and expenses for the licence is publicly available and when the distribution is made.

The Order is also intended to require the licence holder to state in writing who the licence holder is, including the name and CVR number or SE number of the licence holder, the purpose of the lottery, the price of participation, as well as the relevant guidelines applicable to the lottery, and information on the operation period, place and final date for award of winnings, where and when lottery accounts are publicly available, where and when the distribution is published, and the date on which the licence was issued.

The Order is also intended to lay down a requirement for the licence holder to provide information in writing and prior to the participant's purchase on the amount, nature and value of the winnings in DKK. This will be a continuation of the current requirement in § 6(1)(5) of Order No 1288 of 29 November 2019 on non-profit lotteries. However, it is expected to add the possibility that the amount, nature and value of winnings may be divided into pools depending on the number of participants in each lottery. This is to accommodate the very diverse offering of lotteries, where the amount of winnings may in some cases be based on the number of participants, and of which the licence holder is not aware in advance.

It is also intended that it should be possible for the offer to describe the amount, nature and value of winnings in groups of winnings where the groups of winnings in nature and value are comparable, for example, that a group of winnings is a gift card for the city's shops with a value of DKK 100–200, and that another group of winnings is a gift card for the city's shops with a value of DKK 500–750. Prizes that are distributed in groups shall be comparable without great difference in their economic value. In order to ensure the random and safe operation of the lottery, the organiser must ensure that winnings within the same group of winnings are delivered randomly, for example in a sealed envelope. This would be a continuation of established practices.

The Order is intended to lay down rules providing that the information must be easily accessible to the participant up to and including the final date for the distribution of winnings and that the information is in Danish.

The Order is intended to lay down rules providing that the information must be presented in writing, so that the information cannot be provided orally. This is for consumer protection reasons. The participant shall have the information available prior to participation and during the lottery operation period, which may last up to 6 months. This is due, inter alia, to the fact that the participant must be able to acquaint himself with the date of the winner

draw, which may otherwise be forgotten if the information is provided only prior to participation.

The information may be made available, for example, through posts on a website or posters. The requirement may also be met by placing the information on the lottery ticket or by providing a covering letter with the lottery ticket.

The Order is intended to lay down general requirements for the marketing of non-profit lotteries. The licence holder must be specified and any rules and conditions governing any discounts, extra draws or other promotion measures must be indicated in connection with the marketing of the conduct of lotteries for a non-profit purpose or a political party. A promotional measure may, for example, be that the members of the association can obtain a discount as opposed to non-members, that tickets can be bought with quantity discounts before a given date, or that access extra draws is given under certain conditions, etc. This is intended to create transparency and protect consumers. This is considered relevant in the light of developments in the sector of non-profit lotteries, where there is an increased use of offers and discount structures to increase sales.

In addition, The Order is intended to require the use of the Danish Gambling Authority's labelling system for lottery offers with requirements as to the surplus level. For lotteries with no surplus level requirement, it is expected that the licence holder may opt in to use the Danish Gambling Authority's labelling system, but this will not be a requirement. If the label does not appear on the lottery ticket or card, it shall be clearly displayed by other means during the operation period.

In addition, the Order is intended to require the licence holder, when registering his revenues relating to the operation of the lottery, to use a bank account where the accounting records related to the lottery can be separated from other accounting records.

The licence holder shall be able to explain to the Danish Gambling Authority, upon request, how the lottery funds are separated from the licence holder's other funds. It shall be possible for licence holders to differentiate revenues and expenses related to the operation of lotteries.

It is therefore intended to lay down rules under which, on a case-by-case basis, the Danish Gambling Authority may require the licence holder to open a

separate bank account for the operation of lotteries. The requirement may be based, for example, on the Danish Gambling Authority's assessment that, in the past, the licence holder has not ensured sufficient separation of lottery funds from other funds held in the licence holder's bank account.

It is also intended to lay down rules under which distributions are to be made by bank transfer and that the surplus must be distributed at the latest at the time of presentation of the accounts.

It is intended that, for the entire offer, the drawing up of accounts for lotteries operated per 12 month-licence period will be required in the Order on non-profit lotteries. Accounts are subject to higher requirements depending on the licence category under which licence has been obtained.

In the case of lotteries with no surplus level requirement, the Order is intended to require, after the expiry of the licence, a simple statement of revenues and expenses directly linked to the operation of the lottery. The calculation shall be prepared for every 12 months.

The Order therefore is intended to lay down rules requiring licence holders to list the total revenues and expenses from lotteries incurred with the licence and to list the total surplus for distribution to the purpose(s) for which a licence to organise lotteries was granted, and that the statement must be published within 3 months of the expiry of the licence.

The Order is intended to require licence holders with a sales price from lotteries up to and including DKK 5 000 000 to submit the accounts to the Danish Gambling Authority within 3 months of the expiry of the licence and to make the accounts publicly available to the participants. The accounts must be certified by two persons associated with the licence holder. This will also apply to licence holders who have obtained three successive licences with a total validity of 3 years. Here the accounts shall be made publicly available at the latest 3 months after every 12th month. The 3-month deadline is deemed sufficient for this type of licence as no external audit is required.

It is also intended to introduce, in the Order, rules according to which the Danish Gambling Authority may require the licence holder to have the accounts certified by a registered or chartered accountant. This may be relevant, for example, if the licence holder has previously operated lotteries that did not comply with the rules.

For lotteries operated with a total annual sales price of more than DKK 5 000 000 up to and including DKK 100 000 000, the Order is intended to require, following the expiry of the licence, accounts to be drawn up and submitted to the Danish Gambling Authority and published. The accounts must be certified by a registered or chartered accountant, taking into account the size and professional nature of the offer.

At the same time, the Order is intended to require the accountant to draw up an accountant statement, so that the accountant ensures that there is sufficient evidence of the distribution of the surplus of the lottery and the incurred expenses for operating the lottery.

The Order is intended to lay down a requirement for the accounts and the accountant statement to be submitted to the Danish Gambling Authority and published no later than 6 months after the expiry of the licence. The period of 6 months is considered appropriate in view of the fact that the accounts must be certified by a third party.

It is also intended to provide for the possibility for the Danish Gambling Authority to exceptionally extend, on a case-by-case basis, the deadlines set for the publication and submission of accounts and, where appropriate, accountant statements.

Irrespective of the type of licence concerned, the Order intends, where there are requirements for the surplus level, to lay down rules requiring the accounts to include information on the number of lotteries operated within the licence and the total revenues and expenses from the operation of lotteries. Expenses are broken down into different types of expenses, such as expenses for winnings, for printing tickets, for draws, for distribution and for other administrative expenses. In addition, the accounts shall include information on the total surplus for distribution and the identity of the person to whom the distribution has been made. If the surplus is distributed to several purposes, the accounts shall indicate how the distribution has been distributed.

The Order is intended to lay down rules according to which only an amount may be used to cover reasonable expenses in the lottery accounts which are directly linked to the operation of the lottery.

Directly associated expenses may include, for example, expenses relating to printing lottery tickets, renting premises for lotteries, draws carried out in the presence of a notary, 'MobilePay' and similar payment solutions, winnings and postal charges.

Remuneration of sellers, including commission remuneration, is considered as an expense and cannot be included as part of the surplus margin for distribution.

Exceptionally high costs in relation to the task cannot be covered. This may include, for example, rent exceeding the market rent in the area or other expenses which are high compared to the market price.

The reason for this is that the licence holder should endeavour to minimise the expenses of operating the lottery so as to donate as much as the sales price as possible to the purpose for which the lotteries are being organised.

Expenses which are not directly linked to the lottery are defined as expenses which are not necessary for the operation of the lottery and must therefore not be included in the lottery accounts. This may include, for example, the purchase of coffee and cake purchased for sale in connection with the lottery event, merchandise or transport to the lottery.

Under existing law, land-based bingo can only be offered if the surplus is donated to a non-profit purpose.

It is proposed to insert §§ 10 a-10 c on land-based bingo.

(Re § 10a)

It is proposed in § 10a(1) that licences may be granted for the offering of land-based bingo.

The proposal will allow bingo to be offered on an equal footing with other liberalised games.

On the one hand, bingo is a lottery because it is characterised by its randomness, with the drawing of numbers determining whether one wins or not. On the other hand, bingo is a game which traditionally takes place through the player's ongoing active participation and is not thus simply operated by drawing the winning ticket or the winning numbers. The bingo game thus differs from other lottery games.

‘Bingo’ means a lottery with a card consisting of either:

- five times five spaces and 25 numbers or symbols, where the draw is based on 75 different numbers or symbols;
- four times four spaces and 16 numbers or symbols and where the draw is based on 80 different numbers or symbols; or
- three times nine spaces and 15 numbers or symbols, where the draw is based on 90 different numbers or symbols.

If the requirements for a bingo card as mentioned above are not met, it will not be possible to grant permission to offer land-based bingo.

The player does not determine the numbers, symbols or markings on each card. The game is played by drawing numbers, etc., randomly and individually and by the player marking them on his card. Winnings are obtained if the card is filled in whole or in part in a further defined manner.

Bingo is also understood to mean that numbers or symbols are drawn and presented one at a time and that the player must have the possibility of continuously manually marking (duplicate) the drawn numbers or symbols.

The term ‘bingo’ must be understood as also covering the term ‘banko’, given that those two types of lotteries have a very similar structure. At the same time, this means that only the ‘bingo’ and ‘banko’ lottery types can be offered under the definition of land-based bingo, with the result that other types of lotteries can continue to be offered solely by the monopoly or as a non-profit lottery. The interpretation also means that, in the case of liberalised bingo games, side lotteries, side games or pause games, it is only allowed to offer side lotteries, side games or pause games only if they have a structure which can be covered by the definition of bingo. Any side lotteries, which constitute bingo, could therefore be operated as independent bingo games for a bingo event.

It is proposed that land-based bingo means bingo characterised by the fact that it is a game with the physical presence of players and by the use of physical cards.

§ 5(1)(9) of the Gambling Act defines land-based games as games entered into when a player and a game provider meet physically. There must be a physical element when the game is land-based, such as that the game is offered at physical locations or where premises or equipment are physically

provided. The physical element of bingo can be met, for example, by the players and organiser being present in the same location during the game. Against this background, the game cannot be operated via distance communication, such as via television and the internet.

The proposal also makes it impossible to install bingo machines in premises where land-based bingo is operated. Thus, a player will not be able to play bingo on a bingo machine where the game is carried out alone and not together with other players, since bingo is a traditional pool game. It is therefore also not possible to play bingo against the licence-holder.

Pursuant to § 41 of the Gambling Act, the Minister for Taxation has the possibility to lay down rules on games and their operation. Pursuant to this provision, the Minister for Taxation may lay down detailed rules on land-based bingo. Land-based bingo is also subject to the criteria for the offering of games set out in Chapter 4 of the Gambling Act.

It is intended that a new Order on land-based bingo be drafted.

It is intended to lay down rules in the Order requiring the licence holder to make available to the player a set of written information prior to the player's participation in bingo.

The Order is intended to require all information to be available in Danish. The requirement is less strict than that imposed on the rest of the liberalised game offer, since the specific nature of the offer is intended not to require the information to be provided in English at the same time.

The Order is intended to require the licence holder to provide the player in a prominent position at the entrance of land-based bingo premises with a set of information, including information on age requirements, responsible gambling and the potential harmful effects of games, treatment options and the helpline of the Danish Gambling Authority, information on the gambling licence and the handling of complaints by the licence holder. This is intended to enable the player to ascertain, prior to the entrance, that it is a lawful offer of bingo. At the same time, the player must be given the opportunity to gain knowledge of how to seek advice and treatment for problematic gambling behaviour.



The prominence of the information at the entrance to the premise means that it must be made easy for the player to find the information. The licence holder must ensure that the information is in fact given prominence.

The Order is intended to lay down rules requiring the licence holder to make the information available in writing to the player in an easily accessible manner before placing any stake in the lottery in question if bingo is offered with a pre-sale. This may be the case, for example, if the licence holder's website or a similar platform offers the purchase of an entrance ticket for a bingo event, which can be converted into a card at a future appearance. This may also be the case, for example, where a pre-sale is offered in physical locations which do not coincide with the physical location where bingo is played.

The Order is also intended to lay down rules stipulating that the information must appear on the licence holder's website if he has a website which refers to the offering of bingo, irrespective of whether the website offers a pre-sale or if only the licence holder and his bingo offer are being marketed.

The Order is intended to lay down a requirement for the player to be presented with a number of information before participating in the game, including the rules governing the operation of each game and the winnings and their value. The fact that the information must be presented before participating in the game means that it will not be sufficient, for example, to provide the information when delivering the card.

The Order is therefore intended to lay down rules providing that the licence holder must also ensure that information on the rules for the operation of individual games is easily accessible to the player. The information on the individual games offered by the licence holder may be, for example, the price of participation, including any offers and promotion measures. The information on the rules for operating individual games may also be relevant guidelines on how the game is played, such as whether there is a chance to win prizes on specially selected numbers, such as a number representing specific dates. Information about individual games may also be, for example, how many rounds are played before all pieces are taken from the card, whether there are side winnings or winnings on one or more rows and similar. If a pre-sale is offered, it would also be relevant to indicate the date of operation of the lottery in question. It may also be relevant in certain cases, in particular where a pre-sale is offered, to disclose the operation period, including the time and place of distribution of winnings.

It is also intended to lay down rules requiring licence holders to ensure that information on the nature and value of winnings in Danish kroner, possibly divided into pools according to the number of cards involved, is provided. The information may include information on what to win, for example, whether cash or gift cards for selected shops can be won or whether winnings in kind can be won and what these winnings in kind are, if any.

Information relating to the structure of winnings is relevant to players, as land-based bingo does not require information on a refund rate. By providing players with information on the amount, nature and value of winnings, the player can better assess whether it is interesting for the individual to participate in the game.

The Order is intended to lay down rules requiring licence holders to use the Danish Gambling Authority's labelling system. This would put liberalised bingo on an equal footing with other areas of the liberalised gambling market.

The use of the Danish Gambling Authority's label is for consumer protection and allows the licence holder to clearly show that it is a lawful offer of bingo.

The Order is intended to require the licence holder, in the course of his marketing activities, to indicate the age limit for accessing the physical location where bingo is played. In the case of written marketing content, this can be achieved, for example, by indicating '+ 18' in the marketing content.

The Order is intended to require the licence holder, when marketing games, to also provide information on the Danish Gambling Authority's helpline for responsible gambling and to use the Danish Gambling Authority's labelling system.

At the same time, the Order is intended to require the licence holder, when marketing games covered by the licence, to indicate in a clear and simple manner who the licence holder is. This is to ensure that there is no doubt as to who is marketing and offering the land-based bingo game in question, and the requirement therefore relates to consumer protection.

The Order is also intended to require the licence holder, in the course of his marketing activities, to indicate in a clear and simple manner all the rules

and terms governing any discounts or other promotion measures relating to the marketed bingo game. A promotion measure may, for example, be that the player can obtain a quantity discount. This is intended to provide transparency for the player.

The Order is intended to lay down rules requiring land-based bingo to be purely random and to be operated safely. This must be seen in the context of the fact that there are few and less strict requirements as to how the game and winner draw are carried out, and is thus justified on grounds of consumer protection.

The Order is intended to require the player not to bring or select the card himself. However, it is expected that it will be possible for the player to choose between the licence holder's already selected cards. This gives the player flexibility in choosing the cards on which he wishes to play, for example where the card has a special lucky number that the player wishes to have on his card.

The Order is intended to lay down rules on the purchase of cards via physical sale but also by means of distance communication. This allows the licence holder, for example, to sell via a website where the player will receive his card on the day of the event. Since the player is not allowed to bring the card himself, this means that the player is not allowed to print it and bring it to the bingo event.

The Order is intended to require the licence holder to ensure that each card contains a unique identification number which is registered on sale and then kept for the entire period of the licence. This requirement should help to ensure that, at the end of the game, it will be possible to control the winnings divided into the cards sold.

The Order is intended to lay down rules according to which a licence holder may only receive cash payments or payments from a payment service provider lawfully offered in Denmark under the Act on payments. This includes payments with 'Dankort', VISA cards, MasterCard, 'MobilePay', PayPal, etc.

The Order is intended to lay down rules according to which licence holders may pay only winnings in cash, gift cards or kind. Thus, no winnings may be paid by bank transfer. The requirement is similar to that applicable to land-based casinos. In addition, it is intended to lay down rules to effect that

the licence holder may not keep winnings for the player. This requirement is intended to prevent fraud involving, for example, public services.

It is also intended that, for the offering of land-based bingo, an Order may impose requirements on how the licence holder carries out the winning draw. The intention is to require that the winning draw is to be done by using either the opportunity for participants in the draw to be present or by using an approved random number generator. If the licence holder chooses to use an approved random number generator, the licence holder shall comply with the technical requirements set by the Danish Gambling Authority for the certification.

It is also expected that the Executive Order introduces the possibility for the Danish Gambling Authority, in special cases, to require the licence holder to use a certified random number generator. It is possible that rules will be laid down at a later stage to the effect that the winner draw will be carried out using a certified random generator, if this proves to be needed. This is intended to ensure the safe operation of lotteries. The objective of introducing such a requirement in the long term is that gambling activities are involved in a liberalised market and that there should therefore be a high level of consumer protection.

The Order on liberalised bingo is intended to require licence holders to keep a daily statement of days where bingo is operated. The statement shall contain information on the date on which the bingo was operated with the licence, a complete list of cards sold on that day, a complete list of the numbers or symbols drawn on that day, the total revenues from bingo operated on that day, the total expenses of prizes won that day and whether the winnings or any of these are sponsored. The statement must be reviewed and certified by at least two persons with the licence holder in order to reduce the risk of errors. This is because there is no requirement to report data on an ongoing basis.

It is expected that providers of liberalised bingo will in most cases be subject to the rules on the presentation of accounts under the Financial Statements Act. It is therefore not the immediate intention that specific requirements will be imposed on the preparation of accounts. On the other hand, it is expected that in the Order on land-based bingo, a provision is inserted to the effect that the licence-holder, in the event that he is not otherwise covered by the rules on bookkeeping and submitting annual accounts, etc., shall perform bookkeeping and prepare a financial statement in accordance with

the rules pursuant to the Danish Bookkeeping Act. This is intended to ensure that accounts are prepared in a satisfactory manner, including in cases where a licence holder may not be covered by other rules for this. At the same time, it is intended that in the Order on liberalised bingo, a requirement shall be inserted that the financial statements must submit a copy of the financial statements approved with endorsement to the Danish Gambling Authority no later than 6 months after the end of the accounting period.

It should be noted that, additionally, it is not expected that regular data reporting is required for the offer, nor is it expected that annual reports are required to be submitted to the Danish Gambling Authority.

The Order is also intended to require that the player should have the possibility to complain about the operation of the game to the licence holder, as well as to require the licence holder to address the complaint as soon as possible, and that if the licence holder is unable to resolve the complaint within 14 days, he must inform the complainant when complaints on the matter can be expected to be resolved. The complaint may be rejected if the complaint has not been made in writing, does not contain information on the identity of the complainant or does not contain a statement of reasons for the facts complained of. The licence holder shall keep documents from such complaint proceedings for a period of at least 2 years.

It is also the intention that the Order on rules shall lay down rules to the effect that intentional or grossly negligent infringements of the rules laid down in the Order may be punishable by a fine.

It is proposed in § 10a(2) that licences may be granted for up to 5 years at a time.

This means that licences may be granted for up to 5 years for the offering of land-based bingo, which corresponds to the licence period for most other licences for liberalised games.

(Re § 10b)

It is proposed with § 10b that persons under the age of 18 shall not enter premises where land-based bingo is organised.

This means that persons under the age of 18 are required not to enter premises where land-based bingo is organised. In addition, § 34(1) of the

Gambling Act applies, according to which no stakes may be received from persons under the age of 18. The proposal means that persons under the age of 18 may not be present at locations where land-based bingo is offered. The proposal also does not allow persons under the age of 18 to be assistants or otherwise employed to contribute to the operation of land-based bingo on the liberalised market.

The aim behind the proposal is that persons under the age of 18 should not be able to participate in a liberalised game where there are no limits on the size or nature of the winnings, as such games could potentially contribute to the development of problematic gambling behaviour.

It is proposed that, during their presence in premises where land-based bingo is organised, players should be able to provide proof of identity at the request of the licence holder or the Danish Gambling Authority, cf. proposal for an amendment to § 34a, cf. § 1, No 5, of the draft Act. The requirement is proposed to ensure that the licence holder can check that a player is at least 18 years old and that the Danish Gambling Authority can supervise those persons under the age of 18 are not present at the physical location where bingo is played. For the purposes of offer, it is proposed that identification should not be required to be presented by all players prior to entering the room where land-based bingo is organised, but only that the licence holder should check the identity document where the licence holder has doubts as to whether the player is at of legal age.

(Re § 10c)

It is proposed in § 10c(1) that land-based bingo may be organised between 7:00 and 24:00.

This means that liberalised land-based bingo may be organised between 7:00 and 24:00.

If the premises or localities where bingo is organised are used for purposes other than the offering of liberalised land-based bingo, for example in the case of a sports hall or a cafeteria, the rule does not prevent the room from being used for these purposes outside the time period between 7:00 and 24:00.

The proposal to limit the opening hours is justified by the fact that a liberalised offer of bingo, where there are no restrictions on the size and nature of the winnings, should not be available all day.

Opening hours are comparable to the opening hours laid down in § 23(1) of the Gambling Act for gaming machines with winnings in gaming halls. The aim behind the proposal to limit the opening hours of land-based bingo is based on the same considerations as for gaming machines with winnings in gaming halls. Reference is made to the preparatory work for the Gambling Act, as amended by Act No 1574 of 15 December 2015, cf. Folketingstidende 2015-16, Appendix A, L 15, as submitted, page 6, which states, among other things, that the purpose of a limitation during the opening hours of gambling machines with winnings in gambling halls was to limit the development of gambling addiction and that limiting the opening hours could force players to take a break from the game.

It is proposed that opening hours may be limited due to regulatory conditions, cf. the proposal for an amendment to § 31, cf. § 1, No 4 of the draft Act. As a general rule, the Danish Gambling Authority will follow a recommendation to limit opening hours and set this as a condition for the licence of the licence holder.

An infringement of the opening hours shall be punishable under § 59(5)(1). As a general rule, it is the manager or the person who was in charge of the staff at the time of the infringement who will be penalised in the event of an established infringement. However, there may be exceptions to this, for example where it can be established that the licence holder has been aware of the infringement. It is intended that both the manager or the person who managed the manning at the time of the violation and the licence holder may be held criminally liable if both parties are aware of an infringement of the provision.

It is proposed in § 10c(2) that premises where land-based bingo is organised must be staffed throughout opening hours. It is proposed in (3) that the staffing shall be carried out by the licence holder, the manager or a person employed by the licence holder or the manager present in the premise or location where land-based bingo is organised.

The proposal is identical to the requirement for gaming machines with winnings, cf. § 23(2) and (3) of the Gambling Act. The proposal is based on the same considerations as in the case of gaming machines with winnings,

where the requirement of staffing is primarily due to the need to ensure that persons under the age of 18 do not have access to the games in question.

Staffing shall be understood in accordance with the comments on Act No 848 of 1 July 2010, cf. Folketingstidende 2009-2010, Appendix A, L 202, as submitted, page 53, which states, inter alia, that there must be an employment and employee relationship between the licence holder or manager and the person who manages the gaming hall. This is intended to ensure that real management takes place as well as to prevent undeclared work. The management may take place in an adjacent room, as long as it can be adequately ensured that persons under the age of 18 will not have access to the room or location.

#### Re No 3

According to § 31 of the Gambling Act, in order to determine whether licences are to be granted for the establishment and operation of land-based casinos or for the installation of gaming machines with winnings in gaming halls, emphasis may be placed on regulatory conditions and the size and location of the gaming establishment.

It is proposed that, in § 31 of the Gambling Act, the following shall be inserted after ‘land-based casinos’: ‘, for the offering of land-based bingo’.

This means that, in addition to the reference to land-based casinos and the installation of gaming machines with winnings in gaming halls, reference may also be made to the fact that, when issuing licences for the establishment and operation of land-based bingo establishments, emphasis may be placed on regulatory conditions and the size and location of the gaming establishment. Thus, premises offering land-based bingo will be treated in the same way as other premises where a liberalised land-based offering of games is operated.

#### Re No 4

§ 34 a of the Gambling Act provides that, for the purposes of its supervision of compliance with the age requirements laid down in §§ 22 and 34, representatives of the Danish Gambling Authority may, upon providing identification and without a court order, require that all necessary information be provided by persons present in a gaming hall and from purchasers of games to determine their age.



It is proposed that, in § 34a of the Gambling Act, the following shall be inserted after ‘the age requirements in §§’: ‘10b,’ and that, after ‘persons in a gaming hall’, the following shall be inserted: ‘and in premises or sites where land-based bingo is organised’.

This means that reference is also made to the age requirement in § 10b on land-based bingo, cf. § 1(2) of the draft Act, as well as to the fact that representatives of the Danish Gambling Authority may, upon providing identification and without a court order, require that all necessary information be provided by persons present in premises or sites where land-based bingo is played. Land-based bingo is thus treated in the same way as other liberalised land-based games.

Re No 5.

§ 37 of the Gambling Act provides that the daily operation of land-based casinos, gaming halls with gaming machines with winnings and shops where lotteries or bets are sold must be carried out by the licence holder himself or by a manager.

It is proposed that, in § 37 of the Gambling Act, ‘premises or sites where land-based bingo is organised’ shall be inserted after ‘land-based casinos,’ and that, after ‘§§ 6’, the following shall be inserted: ‘, 10a’.

This means that § 37 also requires the daily operation of premises or sites where land-based bingo is organised to be carried out by the licence holder or by a manager. Land-based bingo is thus treated in the same way as other liberalised land-based games.

It is only the day-to-day operation of the premises or sites associated with the conduct of land-based bingo that shall be carried out by the licenceholder or by a manager. If the premises are also used for other purposes, the day-to-day operations need not be carried out by a licence holder or a manager for the purposes which are not related to land-based bingo. This may be the case, for example, if the same premises as those used for a sports hall, a cafeteria or the like are used.

Re No 6

§ 40 of the Gambling Act provides that employees of shops selling mainly lotteries and bets, and employees of gaming halls with gaming machines with winnings, must be at least 18 years old.

It is proposed that, in § 40, ‘employees in premises or sites where land-based bingo is played,’ shall be inserted after ‘bets,’.

This means that § 40 of the Gambling Act also requires employees in premises or sites where land-based bingo is organised to be at least 18 years old. Land-based bingo is thus treated in the same way as other liberalised land-based games.

#### Re No 7

§ 42c, first sentence of the Gambling Act provides that if the realised gambling revenue exceeds the basis for which the fee was paid, an amount equal to the difference between the fee paid and the actual fee to be paid is charged. § 42c, second sentence, of the Gambling Act provides that if, conversely, the realised gambling revenue is lower than the basis for the fee paid, an amount equal to the difference between the fee paid and the actual fee is refunded.

It is proposed that in two instances in § 42c the words ‘and § 42b’ shall be replaced by: ‘, § 42b, § 42g and § 42h’.

This means that § 42c, points 1 and 2, also refer to § 42g and § 42h. Land-based bingo is thus treated in the same way with fee payment as other liberalised land-based games.

The amendment, which proposes to also refer to § 42g in § 42c, should be seen in conjunction with § 3 of the draft Act, where § 1, No 23, which is inserted into the Gambling Act by § 1, No 23, of Act No 467 of 8 May 2024, is repealed before the entry into force, for legal technical reasons.

#### Re No 8

§ 42e of the Gambling Act provides that the fees in §§ 42-42b are to be regulated in accordance with § 20 of the Individual Tax Act.

It is proposed in § 42e that after ‘§§ 42–42b’, the following shall be inserted: ‘, § 42g and § 42h’.

With the proposal, § 42g and § 42h will in future also appear in § 42e.

The fees for land-based bingo are thereby put on an equal footing with the fees for other liberalised land-based games, and will thereafter be regulated in accordance with § 20 of the Personal Tax Act.

The amendment proposing that reference is also made to § 42g in § 42e, should be seen in conjunction with § 3 of the Bill, where § 1, No 23, which is inserted into the Gambling Act by § 1, No 23, of Act No 467 of 8 May 2024, for technical legal reasons, is repealed before the entry into force.

## Re No 9

§ 42f of the Gambling Act provides that the fees charged pursuant to §§ 42–42b and 42d cover, in addition to the Danish Gambling Authority’s supervision, the Danish Gambling Authority’s supervision pursuant to the Money Laundering Act or other legislation, the Danish Gambling Authority’s expenses related to protecting players from becoming addicted to gambling and the Danish Gambling Authority’s expenses related to the prevention of match-fixing.

It is proposed in § 42f to amend ‘and § 42d’ to: ‘, § 42d, § 42g and § 42h’.

With the proposed amendment, § 42f of the Gambling Act will also refer to § 42g and § 42h. Thus, land-based bingo is treated as other liberalised land-based games, with which the fees, in addition to the Danish Gambling Authority’s general supervision, can be used for the tasks specified.

The amendment, which proposes to also refer to § 42g in § 42f, should be seen in conjunction with § 3 of the Bill, where § 1, No 23, which is inserted into the Gambling Act by § 1, No 23, of Act No 467 of 8 May 2024, is repealed before entry into force, for technical legal reasons.

## Re No 10

The proposed § 42g corresponds to the provision inserted into the Gambling Act by § 1, No 23, of Act No 467 of 8 May 2024 amending the Gambling Act (Strengthened action against collusion, improved sanction options, legal basis for increased data processing, changed fees for gambling machines and various adjustments to the gambling sector). As this part of the Act does not enter into force until 1 January 2025, it is necessary, for technical reasons, to include the provision in this draft Act, as a new fee provision is proposed at the same time in § 42h, cf. below. At the same time, it is proposed that § 1, No 23, of Act No 467 of 8 May 2024 be repealed, cf. § 3, No 1, of the draft Act.

It is proposed with § 42h(1) that, in order to submit applications for licences for the offering of land-based bingo, cf. § 10a, the applicant must pay a fee of DKK 15 900 (2010 level) to the Danish Gambling Authority. For the submission of applications for licences for the offering of land-based bingo, cf. § 10a, applicants who, at the time of the application, hold a licence from the Danish Gambling Authority must pay a fee of DKK 7 900 (2010 level) to

the Danish Gambling Authority. The fee must be paid at the same time as the application is submitted.

It is proposed that, in order to submit applications for licences to offer land-based bingo, cf. § 10a, the applicant must pay a fee of DKK 15,900 (2010 level), corresponding to 20 000 at 2024 level, to the Danish Gambling Authority. The fee must be paid at the same time as the application is submitted. Applicants for a licence to offer land-based bingo must comply with the requirements proposed by the proposal to be introduced as § 10a. The fee shall cover the costs associated with the processing of the application by the Danish Gambling Authority. The fee is proposed to be adjusted in accordance with § 20 of the Individual Tax Act, cf. § 1(8) of the draft Act.

Land-based bingo licences are proposed to be limited in time to 5 years. A renewal of a licence is considered to be the issuing of a new licence and thus a renewal will, among other things, trigger a new application fee. However, since these are persons or companies that have been offering games for up to 5 years, the examinations will not be as extensive as when the original (first) licence was issued.

A fee of DKK 7 900 (2010 level) is therefore proposed for applications for renewal of licences for land-based bingo, corresponding to DKK 10 000 at the 2024 level. The lower fee will only cover the cases where, at the time of the application for the renewal of the licence, gambling operators have a licence. The fee is proposed to be adjusted in accordance with § 20 of the Personal Tax Act.

It is proposed in § 42h(2), that for licences issued for land-based bingo, cf. § 10a, an annual fee is paid to the Danish Gambling Authority, depending on the licence holder's annual taxable gambling revenue, cf. § 5 of the Gaming Duties Act. The fee shall be paid no later than 1 month after the licence takes effect and thereafter annually before the end of January according to the following scale:

Amount of gambling revenue	Fees (2010 level)	Fees (2024 level)
Less than DKK 1 000 000	DKK 11 900	DKK 15 000
DKK 1 000 000 up to DKK 2 500 000	DKK 23 800	DKK 30 000
DKK 2 500 000 up to DKK 5 000 000	DKK 47 600	DKK 60 000

DKK 5 000 000 up to DKK 10 000 000	DKK 95 200	DKK 120 000
DKK 10 000 000 up to DKK 20 000 000	DKK 142 700	DKK 180 000
DKK 20 000 000 and above	DKK 190 300	DKK 240 000

This means that licence holders have to pay an annual fee, which is intended to finance the expenses incurred by the Danish Gambling Authority for the supervision, etc. of the licence holder. This is consistent with the other gambling areas.

The taxable gambling revenue corresponds to the gross gambling revenue, i.e. the amount by which the deposit amount exceeds the winnings (deposits minus winnings).

Re No 11

§ 59(1)(5) of the Gambling Act provides that, unless a higher penalty is required under other legislation, a fine shall be imposed on anyone who intentionally or through gross negligence infringes a number of provisions of the Gambling Act.

It is proposed that, in § 59(5)(1), ‘§ 10(1), second sentence, § 10(3), second and third sentences, § 10(4), second sentence, §§ 10b and 10c,’ shall be inserted after ‘infringes’.

This means that a number of infringements are added to § 59(5)(1).

A reference to § 10(1), second sentence, § 10(3), second and third sentences, § 10(4), second sentence, and §§ 10b-10c shall therefore be inserted. The proposed amendments will lead to an extension of the penalty provision.

The extension follows from the inclusion of the rules on minimum distribution in the provisions on licences for non-profit lotteries. It would therefore be a criminal offence under the Gambling Act if the licence holder intentionally or grossly negligently infringes the rules on minimum distribution.

Therefore, in the case of an intentional or gross negligent infringement of the rule that all the surplus is to be distributed to the purpose(s) for which the licence was granted, the infringement will be punishable.

At the same time, it will be a criminal offence in the case of intentional or gross negligent infringements of the rules requiring the surplus level to be at least 15 % and 35 % respectively, depending on the type of licence.

The person responsible will, for infringements, of § 10(1), second sentence, § 10(3), second and third sentences, and § 10(4), second sentence, be the legal person that has been granted a licence for the conduct of non-profit lotteries.

The extension of the provision in § 59(5)(1) is also a consequence of the proposed insertion of a new type of licence on land-based bingo in § 10a, thus that there are requirements that persons under the age of 18 are not to be present in premises where liberalised bingo is organised, on night closure, that premises where land-based bingo is organised should be staffed throughout the opening hours, and for staffing to be carried out by the licence holder, the manager or a person employed by the licence holder or manager present in premises where land-based bingo is organised. Penalties for infringements of §§ 10b and 10c may be imposed on the licence holder or manager.

The proposal is based on the same considerations as for gaming machines with winnings in gaming halls, cf. §§ 22 and 23 of the Gambling Act, where the staffing requirement is primarily due to the need to ensure that persons under the age of 18 do not have access to the games in question.

It is therefore proposed that infringements of the provisions of §§ 10b and 10c, as well as infringements of the rules on gaming machines in gaming halls in §§ 22 and 23 of the Gambling Act, be regarded as serious infringements, so that the fines should generally be of such a level that they can have a deterrent effect. It is therefore expected that the first time the provisions are violated, it will normally be punished by a fine of DKK 10 000 and the second time by a fine of DKK 20 000. In third-time offences, the licence will have to be revoked pursuant to § 44(1)(1) of the Gambling Act.

The setting of the penalty will still depend on the court's actual assessment in the individual instance of all circumstances in the case and the specific penalty level may be departed from in an upward or downward direction if, in the actual case, there are aggravating or mitigating circumstances, cf. the general rules on setting the penalty in Chapter 10 of the Criminal Code.

In relation to repetitions, it is proposed to follow the general rules of the Criminal Code on repeat offences, cf. § 84 of the Criminal Code.

As a general rule, in the case of infringements of §§ 10b and 10c, it is the manager or the person who was in charge of the staff at the time of the infringement who will be penalised in the event of an established infringement. However, there may be exceptions to this, for example where it can be established that the licence holder has been aware of the infringement. It is intended that both the manager or the person who managed the manning at the time of the violation as well as the licence holder may be held liable if both parties are aware of an infringement of the provision.

## *Re § 2*

### Re No 1

It follows from § 1(3) of the Gambling Tax Act that winnings from games covered by this Act shall not be included in the calculation of taxable income. The same applies to winnings made in games corresponding to the games covered by this Act that are offered or organised in another EU or EEA country and are permitted in that country.

Since it is proposed that the not-for-profit lotteries should be exempted from payment of prize tax, and it is therefore proposed to be deleted from the Gambling Tax Act, cf. § 2, Nos 2 and 3, of the draft Act, winnings from this will have to be included in the calculation of taxable income, unless a special rule to this effect is inserted. The same applies to winnings made in lotteries which are below the introduced de minimis threshold of DKK 15 000 in annual sales sum, cf. § 1, No 1, of the draft Act.

It is therefore proposed that in § 1(3), *first sentence*, of the Gambling Tax Act, ‘or by § 3(3) or § 10 of the Gambling Act,’ shall be inserted after ‘Act’ and that in the *second sentence* ‘covered by this Act’ shall be replaced by ‘referred to in the first sentence’.

The purpose of the amendment is that gains won from not-for-profit lotteries shall continue to be excluded from the calculation of the taxable income, and that gains won in lotteries below the de minimis threshold of DKK 15 000 in annual sales sum shall also not be included in the calculation of the taxable income. The same will be the case if a win has been obtained from a corresponding lottery in another EU or EEA country.

### Re No 2



§ 5 of the Gaming Duties Act provides that providers of non-profit lotteries must pay taxes on winnings of 17.5 %, for cash winnings exceeding DKK 200, and for other winnings whose commercial value exceeds DKK 750.

It is proposed that the *heading* before § 5 shall be worded as follows: '*Land-based bingo*'.

This means that the heading before § 55 shall be changed from '*Non-profit lotteries*' to '*Land-based bingo*'.

The purpose of the amendment is to exempt a non-profit lottery from paying taxes on winnings and should therefore be deleted from the Act. At the same time, land-based bingo, which is a new type of licence, must be covered by the Act and its heading is therefore amended.

Re No 3

It follows from § 5 of the Gambling Tax Act that providers of not-for-profit lotteries offered under § 10 of the Gambling Act must pay a tax of 17.5 %. For cash winnings, the tax is calculated on the part of the prize amount that exceeds DKK 200. For other winnings, the tax is calculated on the portion of the commercial value of the winnings that exceeds DKK 750.

It is proposed to reword § 5 so that holders of licences to provide land-based bingo under § 10a of the Gambling Act must pay a tax calculated as a percentage of the gross game revenue. In 2025, the percentage is 28. In 2026, the percentage is 33. In 2027, the percentage is 38. From 1 January 2028 onwards, the percentage is 41.

This means that the rules in the current § 5 are replaced by rules on land-based bingo. The purpose of the amendment is to exempt non-profit lotteries from paying taxes on winnings and to impose a tax on land-based bingo.

The tax applicable to land-based bingo is to be phased in over 4 years and to finally reach 41 % in 2028.

Gross gambling revenue means the amount by which the deposit amount exceeds the winnings (deposits minus winnings).

It follows from § 19(1) of the Gambling Tax Act that persons and companies, etc. (legal persons) who are taxable pursuant to the Act must submit

notification of the taxable undertaking for registration with the Tax Administration.

#### Re No 4

§ 21(1), first sentence, of the Gaming Duties Act provides that, for games referred to in §§ 6 and 10–12, the tax period is the calendar month and, for games referred to in § 14, the tax period is the quarter.

It is proposed, in § 21(1), *first sentence*, to replace ‘§§ 6’ by ‘§§ 5, 6’.

This means that § 5 shall be inserted in § 21(1), first sentence, as a consequence of the inclusion in the Act of provisions on land-based bingo.

#### Re No 5

§ 24(1), first sentence, of the Gaming Duties Act provides that, for games referred to in §§ 5, 15 and 17, the tax period is the duration of each game, and the tax must be declared and paid within 15 days of the outcome of the game being known.

§ 24(2) of the Gaming Duties Act provides that persons and companies, etc. which offer games referred to in §§ 5, 15 and 17 may choose the month as the tax period when registering with the Customs and Tax Administration.

It is proposed in § 24(1), *first sentence*, and (2), to change ‘§§ 5, 15 and 17’ to: ‘§§ 15 and 17’.

This means that § 5 shall be deleted from the provisions as a consequence of the fact that non-profit lotteries are no longer covered by the Act.

### *Re § 3*

#### Re No 1

It is proposed that § 1, No 23, of Act No 467 of 8 May 2024 amending the Gambling Act (Strengthened action against collusion, improved sanction options, legal basis for increased data processing, changed fees for gambling machines and various adjustments to the gambling sector) shall be repealed

This, for technical reasons, is a consequence of § 1, No 10, of the draft Act, which proposes to insert § 42g, which coincides with the provision inserted in the Gambling Act by § 1, No 23, of Act No 467 of 8 May 2024. As this part of the Act enters into force on 1 January 2025, it is necessary, for technical reasons, to include the provision in this draft Act, as a new fee provision is proposed at the same time in § 42h, cf. below. At the same time, it is proposed that § 1, No 23, of Act No 467 of 8 May 2024 be repealed, cf. § 3, No 1, of the draft Act.

#### Re No 2

Under § 3(2) of Act No 467 of 8 May 2024, § 1, Nos 4, 9, 23, 28, 48 and 50 shall enter into force on 1 January 2025.

It is proposed that § 1, No 23, be repealed, cf. the comments under § 3, No 1.

This means that No 23 is deleted from the entry into force provision in § 3(2). This is a consequence of § 1 No 23 being repealed and therefore not to enter into force.

#### Re No 3

Under § 3(7) of Act No 467 of 8 May 2024, rules laid down pursuant to § 42(10) of the Gambling Act shall remain in force until they are repealed or replaced by regulations issued pursuant to § 42d of the Gambling Act, as amended by § 1, No 22 or 23, of the Act.

It is proposed that § 1, No 23, be repealed, cf. the comments under § 3, No 1.

This means that No 23 is deleted from the provision in § 3(7). This is as a consequence of § 1 No 23 being repealed and thus not to enter into force.

#### *Re § 4*

It is proposed in (1) that the Act shall enter into force on 21 November 2024. This is a derogation from the rules on common dates for entry into force, with which all Acts and Orders, as a general rule, shall enter into force either on 1 January or 1 July. However, the Act will essentially only take effect from 1 January 2025.

This shall enable the Danish Gambling Authority to be able to process applications under the new rules, cf. (4), as from 21 November 2024. However, the Act will in principle not take effect as from 1 January 2025, cf. (2).

It is proposed in (2) that this Act shall take effect as from 1 January 2025, without prejudice to (3) and (4).

This means that the new rules on non-profit lotteries and on the liberalisation of land-based bingo will only take effect as from 1 January 2025. However, in addition to the possibility of submitting applications under the new rules as from 21 November 2024, cf. (4), the starting point is also modified by (3), which deals with the transition to the new rules for non-profit lotteries.

It should be noted that on 25 March 2024, in the light of the political agreement ‘Simpler rules for lotteries and banko’, the Director of Public Prosecution requested all offices to suspend all pending cases covered by the political agreement and the expected legislative amendment for the time being.

Cases affected will, after entry into force of the Act, be resumed and processed in accordance with § 3(1) of the Criminal Code. This means that pending criminal proceedings, which cover matters that, following the amendment of the Act, are no longer punishable, will not have to be pursued by the authorities. However, criminal proceedings which cover matters that are punishable both before and after the amendment of the law, may continue to be pursued.

It is proposed in (3), *first sentence*, that the Act applies to non-profit lotteries which, according to the licence, may start on or after 1 January 2025.

The transitional rule means that the amendments to the rules on non-profit lotteries, cf. § 1, No 2, of the Act, will only apply to non-profit lotteries which, according to the licence, may start on or after 1 January 2025, which

must be seen in the context of the fact that the Act will not apply as from 1 January 2025, cf. (2). However, the starting point under (3), first sentence, shall be modified by (2-4), cf. below.

It is proposed in the *second sentence*, however, that if a licence for the organisation of charitable lotteries was granted before 21 November 2024, the Act only applies to the extent decided by the licence holder

The rule must be read in conjunction with the possibility for the Danish Gambling Authority to continue to grant licences for the offering of non-profit lotteries, where the selling period only starts after 1 January 2025 and where the application for licences to do so was submitted before the entry into force of the Act. This allows operators to prepare for future lotteries when printing lottery tickets, etc., even if the new rules have not entered into force. This also applies to lotteries which, before 21 November 2024, were notified to the Danish Gambling Authority only in accordance with the rules on the notification of non-profit lotteries under Chapter 2 of Order No 1288 of 29 November 2019 on non-profit lotteries, and where the lotteries extend into 2025 or only start in 2025.

The proposal should allow the applicant to choose to obtain a licence under the new rules if he so wishes. Therefore, if a licence has been obtained before 21 November 2024 and the licence holder instead wishes to obtain a licence under the new rules, the licence holder has the possibility to let the licence lapse under § 45(1)(1) of the Gambling Act and apply for a new licence. The licence holder will then be subject to the new rules. After the entry into force of the Act, the Danish Gambling Authority will contact licence holders who have this option in order to provide them with guidance on the option and its meaning.

The advantage for the licence holder of changing to the new rules may be to impose less strict requirements on the surplus level, as well as greater freedom of choice as to how the winner draw is to be carried out. Conversely, it can be seen as an advantage for some of the licence holders to complete the lottery under the current rules, as the new rules impose more requirements on the information to be provided to the player as well as higher accounting requirements for larger lotteries. At the same time, some providers will not be able to obtain a licence under the new rules, for example committees. These may complete their lottery in accordance with the licences granted, even if the selling period is after the entry into force of the Act.

Lotteries conducted with a selling period starting in 2024 and ending only in 2025 will follow the previous rules, except for the exemption of taxes on winnings, cf. below on (3), fourth sentence. The option in (3), second sentence, is therefore only applicable to lotteries where the selling period starts after 1 January 2025.

It is proposed in (3), *third sentence*, the decision under the second sentence cannot be reversed.

This means that if the licence holder chooses to apply for a licence for the organisation of non-profit lotteries under the new rules and thus lets his existing licence lapse, he cannot subsequently reverse this and go back to the rules previously in force.

It is proposed in (3), *fourth sentence*, that, irrespective of the date on which the licence was granted, non-profit lotteries which, according to the licence, may start before 1 January 2025, but where the licence expires on or after 1 January 2025, shall not be subject to tax (cf. § 2 of the Act) for winnings when these are paid out or after 1 January 2025.

This is because the rule on taxes on winnings for non-profit lotteries shall be repealed on 1 January 2025. The relevant point in time is when the winnings are paid out. Therefore, if the winnings are claimed in 2024 but are only paid out in 2025, no taxes on winnings shall be paid. If the winnings are paid out in 2024, taxes on winnings shall be paid.

It is proposed in (4) that the Danish Gambling Authority may, as from 21 November 2024 onwards, examine applications and take decisions on the issuance of licences pursuant to § 10 and § 10a of the Gambling Act, as amended by § 1, No 2, of this Act. At the same time as the application is submitted under § 10a of the Gambling Act, a fee shall be paid in accordance with § 42h(1), first sentence.

Therefore, in the case of licences for liberalised bingo, the application fee must be paid at the same time as the application is submitted

The proposal, which derogates from the common date of entry into force, must be seen in the context of the fact that it must be possible to obtain licences for offers under the new rules as from 1 January 2025, and the Danish Gambling Authority shall therefore be enabled to receive and process applications from the date of entry into force of the Act. The examination of

the application will follow the new rules set out in § 1, No 2 of the Act. In the case of applications for land-based bingo, cf. § 1, No 2, this means that a fee must be paid, cf. the proposed provision in § 42h(1) of the Gambling Act.

The fact that (4) allows applications to be submitted and examined under the new rules as from 21 November 2024 does not alter the fact that a licence granted pursuant to the application may take effect at the earliest as from 1 January 2025, the date on which the Act will take effect, cf. (2).

It is proposed in (5), *first sentence*, that for applications for the organisation of non-profit lotteries, cf. § 10 of the Gambling Act, as amended by § 1, No 2, of this Act, which are submitted during the period as from 21 November 2024 up to and including 30 June 2025, a provisional licence shall be granted automatically and shall expire on 30 June 2025. It is proposed in the *second sentence* that if the Danish Gambling Authority's examination of the application finds that it can be accepted, the provisional licence, cf. the first sentence, shall be replaced by an actual licence in accordance with the general rules. It is proposed in the *third sentence*, that if, on the other hand, it is found that the application cannot be accepted, the provisional licence shall lapse, cf. the first sentence.

The proposal is to be seen in the context of the fact that it is not expected that the Danish Gambling Authority will be able to further process the volume of applications expected to arrive between the entry into force of the Act and until 1 January 2025. The proposal therefore introduces a period of up to 6 months during which a provisional licence may conduct non-profit lotteries provided that the conditions for obtaining a licence are met. If the subsequent examination of the application reveals that the application can be accepted, the provisional licence shall be replaced by an actual licence in accordance with the general rules and the licence holder may continue to conduct the game. If, contrary to the subsequent examination of the application, it is found that the conditions for accepting the application are not met – for example because the applicant is a sole trader because a sole trader cannot obtain a licence under the Act – the provisional licence, cf. the first sentence, will immediately lapse and the applicant will no longer be able to conduct the game.

**The draft Act compared to legislation currently in force**

<i>Current wording</i>	<i>The draft Act</i>
	<p><b>§ 1.</b></p> <p>The Gambling Act, cf. Consolidation Act No 1303 of 4 September 2020, as amended through § 2 of Act No 533 of 27 March 2021, § 1 of Act No 375 of 28 March 2022, and § 1 of Act No 467 of 8 May 2024, shall be amended as follows:</p>
<p><b>§ 3. ---</b></p> <p>(2) A licence is not required for offering or organising games where stakes are not required in order to participate. Payments in guessing competition in a radio or television programme where the organisation of the guessing competition does not constitute the main content shall not be regarded as stakes if the payment is made through an information and content list with integrated pricing or a mobile payment service and does not exceed an additional rate of DKK 5 per telephone number per day.</p>	<p><b>1.</b> In § 3, the following shall be inserted as (3): ‘(3) The offering or organisation of land-based lotteries, where the total annual sales price is less than DKK 15 000, does not require a licence but a licence may be granted, cf. § 10.’</p>
<p><b>§ 10.</b> Licences may be granted for lotteries organised solely for charity or other non-profit purposes. Non-profit lotteries must not be organised for political purposes.</p> <p>(2) The Minister for Taxation may lay down rules on the criteria to be met by non-profit lotteries in order</p>	<p><b>2.</b> § 10 is repealed and the following inserted in its place:</p> <p>‘<b>§ 10.</b> Licences may be issued for the holding of land-based lotteries for a non-profit purpose or for a political party who is entitled to attend the Danish Parliament or a national parliament in another EU</p>



<p>to be granted a licence, or the criteria that must be fulfilled in order to be allowed without prior application. The Minister for Taxation may also lay down rules on how lotteries are to be operated.</p> <p>(3) According to (1) and (2), licences may not be granted for class lotteries and online bingo services.</p>	<p>or EEA country and who holds lotteries for their own benefit. All the surplus from the lottery must go to the purpose(s) for which a licence has been granted.</p> <p>(2) Licences may be granted to associations and publicly sponsored entities where lotteries have an annual sales price from DKK 15 000 up to and including DKK 200 000, where only voluntary unpaid labour may be used in connection with the lottery. Publicly supported entities are exempt from the rules in Chapter 4, with the exception of § 32.</p> <p>(3) Licences for lotteries with an annual sales sum of DKK 15 000 through DKK 5 000 000 may be granted to associations, foundations, self-governing institutions and companies, excluding sole proprietorships and sole proprietorships. In the case of associations, the surplus must represent a minimum of 15 % of the sales price. For others, the surplus must amount to at least 35 % of the sales price.</p> <p>(4) Licences for lotteries with an annual sales sum of DKK 5 000 000 up to and including DKK 100 000 000 may be granted to associations, foundations, self-governing institutions and companies, excluding sole proprietorships and sole proprietorships. The surplus shall amount to at least 35 % of the sales price.</p> <p>(5) Licences referred to in (2–4) may be granted for a period of 1</p>
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	<p>year or 3 years at a time. Licences may only be obtained if the applicant does not already have a licence for the offering of games under this Act, except for licences under § 18a.</p> <p>(6) Licences to offer class lotteries may not be granted under (2–4).</p> <p>(7) The Minister for Taxation may lay down rules on the criteria to be met by non-profit lotteries and political parties which organise lotteries for their own benefit in order for licences to be granted, as well as rules on how the lotteries can be held.’</p>
	<p style="text-align: center;"><i>Land-based bingo</i></p> <p><b>§ 10a.</b> Licences may be granted for offering land-based bingo.</p> <p>(2) Licences may be granted for up to 5 years at a time.</p> <p><b>§ 10b.</b> Persons under the age of 18 shall not enter premises where land-based bingo is organised.</p> <p><b>§ 10 c.</b> Land-based bingo may be organised on a daily basis between 07:00 and 24:00 hours.</p> <p>(2) Premises or sites where land-based bingo is organised shall be staffed throughout opening hours.</p> <p>(3) The staffing shall be carried out by the licence holder, the manager or a person employed by the licence holder or the manager present in the premises or site where land-based bingo is organised.</p>
<b>§ 31.</b> In order to decide whether to	<b>3.</b> In § 31, after: ‘land-based casi-

grant a licence for the establishment and operation of land-based casinos or for the installation of gaming machines with winnings in gaming halls, emphasis may be placed on regulatory conditions, the size and location of the gaming establishment.	nos', the following shall be inserted: ', for the offering of land-based bingo'.
<b>§ 34a.</b> For the purposes of monitoring compliance with the age requirements laid down in §§ 22 and 34, the Danish Gambling Authority's representatives may, upon providing identification and without a court order, require that all necessary information be provided by persons in a gaming hall and from purchasers of games to determine their age.	<b>4.</b> In § 34a, after: 'the age requirements laid down in §§', the following shall be inserted: '10b,' and after: 'gaming hall': 'and in premises or sites where land-based bingo is organised,'.
<b>§ 37.</b> The daily operation of land-based casinos, gaming halls with gaming machines with winnings and shops where lottery tickets or bets are sold, cf. §§ 6 and 11, shall be managed by the licence holder himself or a manager.	<b>5.</b> In § 37, after: 'land-based casinos,', the following shall be inserted: 'premises or sites where land-based bingo is organised,' and after: '§§ 6': the words ', 10a' are inserted.
<b>§ 40.</b> Employees of shops selling mainly lottery tickets and bets and employees of gaming halls with gaming machines with winnings must be at least 18 years old.	<b>6.</b> In § 40, after: 'bets,', the following shall be inserted: 'employees in premises and locations where land-based bingo is organised,'.
<b>§ 42c.</b> If the realised gambling revenue exceeds the basis for which the fee has been paid in accordance with § 42(3) and § 42b, an amount equal to the difference between the fee paid and the actual fee to be paid shall be charged. The fee shall be paid no later than 1 month after being invoiced. If	<b>7.</b> In § 42c, <i>points 1 and 3</i> , 'and § 42b' shall be replaced by: '§§ 42b, 42g and 42h'.

the realised gambling revenue for a calendar year is lower than the basis for the fee paid pursuant to § 42(3) and § 42b, an amount equal to the difference between the fee paid and the actual fee shall be refunded.	
<b>§ 42e.</b> The fees in §§ 42–42b shall be governed by § 20 of the Personal Tax Act.	<b>8.</b> In § 42e, the following shall be inserted after ‘§§ 42-42b’: ‘, § 42g and § 42h’.
<p><b>§ 42f.</b> In addition to the supervision, etc., which follows from the provisions of this Act, the fees charged also covers in accordance with §§ 42-42b and 42d</p> <p>1) the Danish Gambling Authority’s supervision, which is imposed on the Danish Gambling Authority pursuant to the Anti-Money Laundering Act or other legislation;</p> <p>2) the Danish Gambling Authority’s costs associated with protecting players from developing gambling addiction, including information, prevention, self-exclusion, etc.; and</p> <p>3) the Danish Gambling Authority’s expenses related to detecting, investigating, preventing and combating collusion.</p>	<b>9.</b> In § 42f, ‘and 42d’ shall be replaced by: ‘42 d, 42 g and 42 h’;
	<p><b>10.</b> The following shall be inserted after § 42f:</p> <p><b>‘§ 42g.</b> For licences for the installation and operation of gambling machines with winnings, cf. § 19(1), an annual fee shall be paid</p>

to the Danish Gambling Authority, depending on the licence holder's annual taxable gambling revenue, cf. § 12 of the Gambling Tax Act. The fee shall be paid no later than 1 month after the licence takes effect and thereafter annually before the end of January according to the following scale:

Amount of gambling revenue	Fees (2010 level)
Less than DKK 100 000	DKK 1 300 000
DKK 100 000 up to DKK 250 000	DKK 2 100 000
DKK 250 000 up to DKK 500 000	DKK 5 200 000
DKK 500 000 up to DKK 1 000 000	DKK 10 400 000
DKK 1 000 000 up to DKK 2 500 000	DKK 24 800 000
DKK 2 500 000 up to DKK 5 000 000	DKK 44 900 000
DKK 5 000 000 up to DKK 10 000 000	DKK 88 900 000
DKK 10 000 000 up to DKK 15 000 000	DKK 123 000 000
DKK 15 000 000 up to DKK 20 000 000	DKK 158 700 000
DKK 20 000 000 up to DKK 25 000 000	DKK 241 900 000
DKK 25 000 000 up to DKK 35 000 000	DKK 325 200 000
DKK 35 000 000 up to DKK 50 000 000	DKK 499 700 000
DKK 50 000 000 up to DKK 75 000 000	DKK 674 100 000
DKK 75 000 000 up to DKK 100 000 000	DKK 880 300 000
DKK 100 000 000 up to DKK 150 000 000	DKK 1 100 000 000
DKK 150 000 000 up to DKK 200 000 000	DKK 1 300 000 000
DKK 200 000 000 up to DKK 250 000 000	DKK 1 500 000 000
DKK 250 000 000 up to DKK 300 000 000	DKK 1 700 000 000
DKK 300 000 000 up to DKK 350 000 000	DKK 1 900 000 000
DKK 350 000 000 up to DKK 400 000 000	DKK 2 100 000 000
DKK 400 000 000 up to DKK 450 000 000	DKK 2 300 000 000
DKK 450 000 000 up to DKK 500 000 000	DKK 2 500 000 000
DKK 500 000 000 up to DKK 550 000 000	DKK 2 700 000 000
DKK 550 000 000 up to DKK 600 000 000	DKK 2 900 000 000
DKK 600 000 000 up to DKK 650 000 000	DKK 3 100 000 000
DKK 650 000 000 up to DKK 700 000 000	DKK 3 300 000 000
DKK 700 000 000 up to DKK 750 000 000	DKK 3 500 000 000
DKK 750 000 000 up to DKK 800 000 000	DKK 3 700 000 000
DKK 800 000 000 up to DKK 850 000 000	DKK 3 900 000 000
DKK 850 000 000 up to DKK 900 000 000	DKK 4 100 000 000
DKK 900 000 000 up to DKK 950 000 000	DKK 4 300 000 000
DKK 950 000 000 up to DKK 1 000 000 000	DKK 4 500 000 000

	<p>DKK 75 000 000 up to DKK 100 000 000 DKK 3 330 700</p> <p>DKK 100 000 000 up to DKK 125 000 000 DKK 4 361 700</p> <p>DKK 125 000 000 up to DKK 250 000 000</p> <p>DKK 250 000 000 up to DKK 375 000 000</p> <p>DKK 375 000 000 and above ,</p>
	<p><b>§ 42 h.</b> For the submission of applications for licences for the offering of land-based bingo, cf. § 10a, applicants who, at the time of the application, hold a licence from the Danish Gambling Authority must pay a fee of DKK 15 900 (2010 level) to the Danish Gambling Authority. For the submission of applications for licences for the offering of land-based bingo, cf. § 10a, applicants who, at the time of the application, hold a licence from the Danish Gambling Authority must pay a fee of DKK 7 900 (2010 level) to the Danish Gambling Authority. The fee must be paid at the same time as the application is submitted.</p> <p>(2) In the case of licences issued for land-based bingo, cf. § 10a, an annual fee shall be paid to the Danish Gambling Authority, depending on the licence holder's annual taxable gambling revenue, cf. § 5 of the Gaming Duties Act. The</p>

	<p>fee shall be paid no later than 1 month after the licence takes effect and thereafter annually before the end of January according to the following scale:</p> <table> <tr> <th>Amount of gambling revenue</th><th>Fees (2010 level)</th></tr> <tr> <td>Less than DKK 1 000 000</td><td>DKK 11 900</td></tr> <tr> <td>DKK 1 000 000 up to DKK 2 500 000</td><td>DKK 23 800</td></tr> <tr> <td>DKK 2 500 000 up to DKK 5 000 000</td><td>DKK 47 600</td></tr> <tr> <td>DKK 5 000 000 up to DKK 10 000 000</td><td>DKK 95 200</td></tr> <tr> <td>DKK 10 000 000 up to DKK 20 000 000</td><td>DKK 142 700</td></tr> <tr> <td>DKK 20 000 000 and above</td><td>DKK 190 300 ' </td></tr> </table>	Amount of gambling revenue	Fees (2010 level)	Less than DKK 1 000 000	DKK 11 900	DKK 1 000 000 up to DKK 2 500 000	DKK 23 800	DKK 2 500 000 up to DKK 5 000 000	DKK 47 600	DKK 5 000 000 up to DKK 10 000 000	DKK 95 200	DKK 10 000 000 up to DKK 20 000 000	DKK 142 700	DKK 20 000 000 and above	DKK 190 300 '
Amount of gambling revenue	Fees (2010 level)														
Less than DKK 1 000 000	DKK 11 900														
DKK 1 000 000 up to DKK 2 500 000	DKK 23 800														
DKK 2 500 000 up to DKK 5 000 000	DKK 47 600														
DKK 5 000 000 up to DKK 10 000 000	DKK 95 200														
DKK 10 000 000 up to DKK 20 000 000	DKK 142 700														
DKK 20 000 000 and above	DKK 190 300 '														
<p><b>§ 59. ---</b></p> <p>(5) Unless higher penalties are justified by other legislation, anyone shall be punishable by a fine who intentionally or grossly negligently.</p> <p>1) infringes § 12(1), § 13(3), § 15, § 16, § 20, § 21, § 22, § 23, § 28(1), second sentence, and (3) and (4), § 30, § 34(1) and (3), § 35, § 36(1), § 37, § 38(1), (3) and (4), § 39(1), (3) and (4), 40, 43, 43a(4) and 47(2-4),</p>	<p><b>11.</b> In § 59(5)(1), the following shall be inserted after 'infringes': '§ 10(1), second sentence, § 10(3), second and third sentences, § 10(4), second sentence, and §§ 10b and 10c,'.</p>														
	<p><b>§ 2.</b></p> <p>The Gaming Duties Act, cf. Consolidation Act No 1209 of 13 Au-</p>														

	gust 2020 as amended by § 4 of Act No 2226 of 29 December 2020 and § 1 of Act No 375 of 28 March 2022, shall be amended as follows:
<p><b>§ 1 ---</b></p> <p>(3) Winnings from games covered by this Act shall not be included in the calculation of taxable income. The same applies to winnings made in games corresponding to the games covered by this Act that are offered or organised in another EU or EEA country and are permitted in that country.</p>	<p><b>1.</b> In § 1(3)(1), the following shall be inserted after ‘Act’: ‘or by § 3(3) or § 10 of the Gambling Act’ and in the <i>second sentence</i> ‘covered by this Act’ shall be replaced by: ‘referred to in point 1.’</p>
<p><i>Non-profit lotteries</i></p>	<p><b>2.</b> The heading before § 5 is worded as follows:</p> <p><i>‘Land-based bingo’</i></p>
<p><b>§ 5.</b> Providers of not-for-profit lotteries offered under § 10 of the Gambling Act shall pay a tax of 17.5 % on winnings. For cash winnings, the tax is calculated on the part of the prize amount that exceeds DKK 200. For other winnings, the tax is calculated on the portion of the commercial value of the winnings that exceeds DKK 750.</p>	<p><b>3.</b> § 5 shall read:</p> <p>§ 5. Holders of licences for the offering of land-based bingo under § 10a of the Gambling Act shall pay a tax calculated as a percentage of the gross gambling revenue. In 2025, the percentage is 28. In 2026, the percentage is 33. In 2027, the percentage is 38. As from 1 January 2028, the percentage is 41. ’</p>
<p><b>§ 21.</b> For games identified in § 6 and 10-12, the tax period is the calendar month. For games referred to in § 14, the tax period is the quarter. The declaration and payment of the tax shall be made no later than the 15th day of the month following the end of the tax period.</p> <p>(2) The Customs and Tax Administration may reduce the tax period</p>	<p><b>4.</b> In § 21(1), <i>first sentence</i>, ‘§§ 6’ shall be replaced by ‘§§ 5,6’:</p>



and the payment deadline for a registered company and define the tax period as being the calendar month or quarter if the tax has not been paid on time.	
<p>§ 24. For games referred to in §§ 5, 15 and 17, the tax period shall be the duration of each game and the tax shall be declared and paid within 15 days of the outcome of the game being known. If the last declaration and payment day falls on a Saturday, Sunday or public holiday, the declaration and payment shall be made no later than the following working day.</p> <p>(2) Persons etc. (legal persons) who offer games referred to in §§ 5, 15 and 17 may, when registering with the Customs and Tax Administration, choose the month as the tax period, whereby the rules in § 21 apply instead of the rule in (1).</p>	<p>5. In § 24(1), <i>first sentence</i>, and in § 24(2), ‘§§ 5, 15 and 17’ shall be replaced by ‘§§ 15 and 17’.</p>
	<p><b>§ 3.</b></p> <p>Act No 467 of 8 May 2024 amending the Gambling Act (Strengthened action against match fixing, improved sanction options, legal basis for increased data processing, changed fees for gambling machines and various adjustments to the gambling sector) is amended as follows:</p>
<p><b>§ 1, No 23.</b> §§ 42-42f shall be repealed and replaced by:</p> <p>‘§ 42. For the submission of an application for a licence for the offering both bets, cf. § 11, and the operation of online casinos, cf. § 18, the applicant must pay a total fee</p>	<p><b>1.</b> § 1, no. 23 is repealed.</p>

of DKK 250,000 (2010 level) to the Gambling Authority, without prejudice to (4-6). For the submission of an application for a licence for the offering of bets, cf. § 11, or online casinos, cf. § 18, applicants who at the time of the application have a licence from the Danish Gambling Authority, must pay a fee of DKK 100,000 (2010 level) to the Gambling Authority, without prejudice to (4-6). The fee shall be paid at the latest at the same time as the application is submitted.

(2) For the submission of an application for a licence for the offering both bets, cf. § 11, and the operation of online casinos, cf. § 18, the applicant must pay a total fee of DKK 350,000 (2010 level) to the Gambling Authority, without prejudice to (4-6). For the submission of an application for a licence for the offering of both bets, cf. § 11, and the operation of online casinos, cf. § 18, applicants who at the time of the application have a licence from the Danish Gambling Authority, must pay a fee of DKK 125,000 (2010 level) to the Gambling Authority, without prejudice to (4-6). The fee must be paid at the same time as the application is submitted.

(3) For licences issued for the offering of bets or the operation of online casinos, an annual fee depending on a calendar year's taxable gambling revenue, cf. §§ 6 and 11 of the Gambling Tax Act,

shall be paid to the Danish Gambling Authority, without prejudice to (4–6). The fee shall be paid no later than 1 month after the licence has taken effect, according to the following scale:

Amount of gambling revenue	Fees (2010 level)
Less than DKK 5 000 000	DKK 53 250
DKK 5 000 000 up to DKK 10 000 000	DKK 133 250
DKK 10 000 000 up to DKK 25 000 000	DKK 239 800
DKK 25 000 000 up to DKK 50 000 000	DKK 479 600
DKK 50 000,000 up to 100 000 000	DKK 852 600
DKK 100 000 000 up to 200 000 000	DKK 1 598 650
200 000 000 DKK up to 500 000 000	DKK 2 664 400
DKK 500,000,000 and above	DKK 4 695 900

(4) For licences of a maximum duration of 1 year issued for the offering of bets, cf. § 11(3), or the operation of online casinos, cf. § 18(3), where the gambling turnover must not exceed DKK 10 000 000 and the taxable gambling revenue must not exceed DKK 1 000 000, a fee of DKK 50 000 (2010 level) shall be paid to the Gambling Authority to cover the total costs of processing the application, issuing a licence and supervising the licence holder. The fee shall be paid in at the latest at the same time as the application is

submitted. If the application is rejected or the application is refused, DKK 25 000 (2010 level) shall be refunded to the applicant.

(5) For licences to offer bets of a maximum duration of 1 year, cf. § 11(4), where the gambling turnover must not exceed DKK 5 000 000 and the payout ratio must not exceed 20 %, a fee of DKK 50 000 (2010 level) shall be paid to the Gambling Authority to cover the total costs of processing the application, issuing a licence and supervising the licence holder. The fee shall be paid in at the latest at the same time as the application is submitted. If the application is rejected or the application is refused, DKK 25 000 (2010 level) shall be refunded to the applicant.

(6) For licences of a maximum duration of 1 year issued for the offering of guessing competitions through SMS, cf. § 18a, where the gambling turnover must not exceed DKK 10 000 000 and the taxable gambling revenue must not exceed DKK 1 000 000, a fee of DKK 50 000 (2010 level) shall be paid to the Gambling Authority to cover the total costs of processing the application, issuing a licence and supervising the licence holder. The fee shall be paid at the latest at the same time as the application is submitted. If the application is rejected or the application is refused, DKK 25 000 (2010 level) shall be refunded to the applicant.

(7) Winnings in cash or in kind

covered by licences issued under § 11(3) or (4), § 18(3) or § 18a shall be calculated according to the actual expense of the winnings.

**§ 42a.** For the submission of applications for licences for a game supplier, cf. § 24a, the applicant must pay a fee of DKK 49 200 (2010 level) to the Danish Gambling Authority. The fee must be paid at the same time as the application is submitted.

(2) For a licence issued to a game provider, cf. § 24a, a fee of DKK 32 800 (2010 level) shall be paid for a calendar year.

**§ 42b.** In the case of licences issued for the establishment and operation of land-based casinos, cf. § 14(1), an annual fee depending on the taxable gambling revenue of the calendar year, cf. § 10 of the Gaming Duties Act, shall be paid to the Danish Gambling Authority. The fee shall be paid no later than 1 month after the licence has taken effect, according to the following scale:

Amount of gambling revenue	Fees (2010 level)
Less than DKK 10 000 000	DKK 143 200
DKK 10 000 000 up to DKK 20 000 000	DKK 286 500
DKK 20 000 000 up to DKK 50 000 000	DKK 429 750
DKK 50 000,000 up to 100 000 000	DKK 716 300

DKK 100 000 000 and above	DKK 1 193 800.
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**§ 42c.** If the realised gambling revenue exceeds the basis for which the fee has been paid in accordance with § 42(3), § 42b and § 42g, an amount equal to the difference between the fee paid and the actual fee to be paid shall be charged. The fee shall be paid no later than 1 month after being invoiced. If the realised gambling revenue for a calendar year is lower than the basis for the fee paid pursuant to § 42(3), § 42b and § 42g, an amount equal to the difference between the fee paid and the actual fee shall be refunded.

**§ 42d.** The Minister of Taxation may lay down rules on the payment of fees for processing applications and issuing licences and annual fees to cover the expenses related to the administration of licences, supervision of licence holders and game providers, supervision imposed on the Danish Gambling Authority pursuant to the Money Laundering Act, protection of players from developing gambling addiction, including information, prevention, self-exclusion, etc., and monitoring of the gambling market in order to prevent that participation in games are offered, organised or arranged in Denmark without a licence under this Act.

**§ 42e.** The fees in §§ 42-42b and § 42g shall be governed by § 20 of the Personal Tax Act.

**§ 42f.** In addition to the supervision etc. provided for in this Act, fees charged pursuant to §§ 42-42b, 42d and 42g shall also cover 1) supervision by the Danish Gambling Authority imposed on the Danish Gambling Authority pursuant to the Money Laundering Act or other legislation, 2) the Danish Gambling Authority's expenses related to protecting players from becoming addicted to gambling, including information, prevention, self-exclusion, etc.; and 3) the Danish Gambling Authority's expenses related to detecting, investigating, preventing and combating match-fixing.

**§ 42g.** For licences for the installation and operation of gambling machines with winnings, cf. § 19(1), an annual fee shall be paid to the Danish Gambling Authority, depending on the licence holder's annual taxable gambling revenue, cf. § 12 of the Gambling Tax Act. The fee shall be paid no later than 1 month after the licence has taken effect, and thereafter annually before the end of January following the following scale:

Amount of gambling revenue	Fees (2010 level)
Less than DKK 100 000	DKK 1 300
DKK 100 000 up to	DKK 2 100

DKK 250 000	
DKK 250 000 up to DKK 5 200	
DKK 500 000	
DKK 500 000 up to DKK 10 400	
DKK 1 000 000	
DKK 1 000 000 up to DKK 24 800	
to DKK 2 500 000	
DKK 2 500 000 up to DKK 44 900	
to DKK 5 000 000	
DKK 5 000 000 up to DKK 88 900	
to DKK 10 000 000	
DKK 10 000 000	
DKK 10 000 000 up to DKK 15 000 000	
DKK 15 000 000	
DKK 15 000 000 up to DKK 20 000 000	
DKK 20 000 000	
DKK 20 000 000 up to DKK 25 000 000	
DKK 25 000 000	
DKK 25 000 000 up to DKK 35 000 000	
DKK 35 000 000	
DKK 35 000 000 up to DKK 50 000 000	
DKK 50 000 000	
DKK 50 000 000 up to DKK 75 000 000	
DKK 75 000 000	
DKK 75 000 000 up to DKK 100 000 000	
DKK 100 000 000	
DKK 100 000 000 up to DKK 125 000 000	
DKK 125 000 000	
DKK 125 000 000 up to DKK 250 000 000	
DKK 250 000 000	
DKK 250 000 000 up to DKK 375 000 000	
DKK 375 000 000	
DKK 375 000 000 and above	



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<p><b>§ 3 ---</b>  (2) § 1, Nos 4, 9, 23, 28, 48 and 50 shall enter into force on 1 January 2025.</p>	<p><b>2.</b> In § 3(2), the words ‘9, 23’ are replaced by ‘9’.</p>
<p><b>§ 3 ---</b>  (7) Rules laid down pursuant to § 42(10) of the Gambling Act, cf. Consolidated Act No 1303 of 4 September 2020, shall remain in force until they are repealed or replaced by regulations issued pursuant to § 42d of the Gambling Act, as set out by § 1, No 22 or 23 of this Act.</p>	<p><b>3.</b> In § 3(7), the words ‘22 or 23’ are replaced by ‘22’.</p>