

# 立法會 *Legislative Council*

LC Paper No. CB(3)1093/2025(02)

Ref: CB3/BC/10/25

## **Bills Committee on Betting Duty (Amendment) Bill 2025**

### **Background brief**

#### **Purpose**

This paper provides background information on the Betting Duty (Amendment) Bill 2025 (“the Bill”). It also gives a brief account of the major views and concerns expressed by the Panel on Home Affairs, Culture and Sports (“the Panel”) on the subject during discussions at Panel meetings.

#### **Background**

2. According to the Administration, as a matter of policy, the Government **does not encourage gambling**. There is, however, an actual and persistent demand for gambling in Hong Kong which, **if left unregulated, would likely give rise to illegal gambling activities** and associated social problems and other criminal activities. Meanwhile, there are different views in the community on the extent to which authorized gambling outlets should be allowed to exist. As such, the Government adopts **a pragmatic approach by allowing only a limited number of authorized gambling outlets**. At present, such authorized gambling outlets include horse racing, football betting and Mark Six Lottery as organized by The Hong Kong Jockey Club (“HKJC”), as well as certain gaming activities authorized by the public officer appointed by the Secretary for Home and Youth Affairs (“SHYA”) under the Gambling Ordinance (Cap. 148) (e.g. mahjong parlours).

3. The Administration has advised that generally speaking, when assessing the need to authorize new betting activities, the following three factors will be taken into account:

- (a) there is an actual and persistent demand from the public for a certain type of betting activity;

- (b) the above demand is now being satisfied by illegal means, and the problem cannot be practically and fully tackled by law enforcement action even with the devotion of substantial resources; and
- (c) the proposed authorization of such type of betting activity is supported by the community.

#### Public consultation

4. The Administration conducted a one-month public consultation on the proposed authorization of basketball betting activities from 2 April to 2 May 2025. Among the 1 063 written submissions received by the Administration, **a vast majority (94.0% of the total) of respondents expressed support for the Administration's authorization of basketball betting activities**, and were of the view that implementation of the proposed regulatory regime on basketball betting **could help combat illegal betting activities, and they supported granting the licence to HKJC only so as to avoid stimulating excessive betting demand. A few views expressed concerns about the proposed regime which might exacerbate gambling disorder, and have negative impacts on young people.** According to the Administration, measures will be introduced, such as offering counselling services and public education, to prevent gambling-related problems, particularly among the youth.

#### **Betting Duty (Amendment) Bill 2025**

5. The Bill was published in the Gazette on 20 June 2025 and received its First Reading at the Council meeting of 2 July 2025. The Bill seeks to amend the Betting Duty Ordinance (Cap. 108), the Betting Duty Regulations (Cap. 108A) and the Specification of Public Offices Notice (Cap. 1C) to:

- (a) empower SHYA to authorize betting on basketball matches;
- (b) charge a duty on the net stake receipts derived from the conduct of authorized betting on basketball matches;
- (c) allow companies that conduct authorized betting on basketball matches to bet on basketball matches for the purpose of hedging;
- (d) repeal obsolete provisions on guaranteed amount for non-local horse races; and

- (e) make related and textual amendments.

6. Details about the main provisions of the Bill are set out in paragraph 20 of the Legislative Council Brief ([File Ref.: S/F\(1\) to HYAB/CR 1/17/117](#)) issued on 18 June 2025. The Bill, if passed, would come into operation on the day on which it is published in the Gazette as an Ordinance.

### **Major views and concerns expressed by Members**

7. The Administration consulted the Panel on “Consultation Document on the Regulatory Regime on Basketball Betting” and “Proposed regulatory regime on basketball betting” on 14 April 2025 and 9 June 2025 respectively. The major views and concerns expressed by Members are summarized in the ensuing paragraphs.

#### The problem of youth gambling and the preventive measures concerned

8. According to the information from the Administration, in the past five years, the number of people aged 18 or below seeking help consistently accounted for 1% to 2% of the total number of persons receiving counselling or treatment from the four counselling and treatment centres (“counselling centres”) funded by the Ping Wo Fund (“PWF”). Members were concerned whether the Administration had underestimated the actual situation, and pointed out that there had all along been cases in which juveniles borrowed accounts from adults to place bets. Members were concerned that HKJC relied on users to declare their age without effective identity authentication when placing online bets. **Members suggested that application of biometric authentication technology should be made mandatory to stop juveniles from borrowing accounts from adults to place bets.** Some Members also suggested setting **a ceiling on the amounts of bets** (e.g. HK\$500 or HK\$1,000 per month) for youth groups aged between 18 and 25.

9. The Administration advised that as a matter of policy, the Government did not encourage gambling. To address gambling-related problems, the Government adopted **a multi-pronged strategy**, including law enforcement against illegal gambling activities, public education on the harms of gambling addiction, provision of counselling and support services for people in need of assistance and regulation of gambling activities through legislation. **The policy objective of authorization of basketball betting was to combat illegal betting activities.** In the course of authorization of basketball betting, the Government would continue to adopt the existing

multi-pronged strategy to minimize the negative impact of basketball betting on the public, especially on young people. The Administration pointed out that juveniles were prohibited from placing bets under the existing legislation, and offenders would be subject to criminal liability (and be liable to a maximum penalty of a HK\$50,000 fine and imprisonment for nine months). The Administration also pointed out that it might not be possible to completely eliminate the problem of youth gambling since young people might still borrow accounts from others even if a ceiling on the amounts of bets had been set. The Administration was of the view that **publicity and education efforts should be made at source**, so that awareness about the harms of gambling, gambling addiction and illegal gambling would take root in the heart of young people.

10. Members were concerned **whether the service coverage of the four existing counselling centres funded by PWF was adequate for young people**, and suggested that **publicity in schools and family education should be strengthened**. The Administration advised that PWF would set up a new counselling and support service centre for promotion and education as well as providing outreach services and supporting counselling services targeting young people. PWF would also strengthen its collaboration with other stakeholders to bring the message of preventing and combating gambling activities to different groups in the community. The Government would also continue to work closely with the PWF Advisory Committee to step up publicity and counselling services for young people. The Administration would also request HKJC to increase the donation to PWF for further enhancement of PWF's work.

11. Some Members suggested that a “**sunset clause**” be included in the Bill to provide for the termination of the basketball betting licence concerned in the event of a drastic increase in youth participation in gambling or an increase in the number of problem gamblers by more than 15% within three years. The Administration advised that the basketball betting licence would be valid for a limited period of time. The Administration would take into account the relevant factors and consider renewal of the licence.

#### Determining duty rate and allocating proceeds

12. Some Members supported the Government's proposal to adopt the existing approach on calculation and collection of betting duty for football betting, and charge from the operators a basketball betting duty at the rate of 50% on their net stake receipts. However, they suggested that the Administration should **constantly keep in view the competitiveness of the basketball betting duty**, so as to prevent bettors from turning to the illegal market due to excessive duty rate which would affect the odds of basketball matches. Some other Members were of the view that the Government

should consider **increasing the duty rate to alleviate fiscal deficit**. Members were also concerned about the estimated amount of **proceeds** that HKJC planned to **allocate for supporting sports development and youth training** after obtaining the licence to conduct basketball betting. Members requested HKJC to undertake to earmark dedicated funding from the proceeds for supporting sports development and youth training.

13. According to the Administration, the rate of basketball betting duty was determined with reference to that of the football betting duty. It sought to strike a balance between efforts to combat illegal gambling and market competitiveness, and any increase in the duty rate might affect the attractiveness of the authorized betting activities. The Administration stressed that the objective of authorization of basketball betting was to combat illegal gambling, instead of increasing tax revenue. The Administration would request HKJC to allocate more resources to help promote sports development.

#### Licensing conditions and regulatory mechanism

14. Members were concerned about the specific restrictions imposed under the condition that the operator concerned were prohibited from accepting bets on basketball matches involving Hong Kong teams and matches taking places in Hong Kong, such as **whether such matches included amateur matches**. In addition, some Members suggested that a **dedicated department** be set up **to regulate HKJC**, instead of solely relying on regulation by the existing Betting and Lotteries Commission (“BLC”).

15. According to the Administration, the relevant licensing conditions expressly prohibited acceptance of bets on matches involving Hong Kong teams (whether professional or amateur) and those taking place in Hong Kong. The specific details would be set out in the licensing conditions. Apart from empowering SHYA to issue the relevant licences, the proposed amendments also sought to expand the functions of BLC to include matters relating to basketball betting licences. In future, HKJC would be required to regularly submit reports on basketball betting for review by BLC. The Administration considered that the present system had been working effectively.

**Relevant papers**

16. A list of relevant papers is set out in the [Appendix](#).

Council Business Divisions  
Legislative Council Secretariat  
9 July 2025

## Bills Committee on Betting Duty (Amendment) Bill 2025

### List of relevant papers

Committee	Date of meeting	Paper
Panel on Home Affairs, Culture and Sports	14 April 2025	<a href="#">Agenda</a> Item V: Consultation Document on the Regulatory Regime on Basketball Betting <a href="#">Minutes</a>
	9 June 2025	<a href="#">Agenda</a> Item III: Proposed regulatory regime on basketball betting <a href="#">Minutes</a>

Council meeting	Paper
15 February 2023	<a href="#">Question 6</a> : Betting duty
4 June 2025	<a href="#">Question 14</a> : Curbing youth gambling participation

Council Business Divisions  
Legislative Council Secretariat  
 9 July 2025