

No tax increase for Hungary

Katalin Lukacs, general secretary of the Hungarian Gambling Association, has told the industry there that he is confident there will be no tax increase in 2007.

„The facts and figures have justified the reasoned analysis and market forecasts of the association,” he said. „The legislator and the organisations responsible for the state control of gambling have accepted that another restriction or tax increase could result in the regression of the market. That would in turn seriously risk the USD 227.1 million gaming tax that is almost certain to be paid in 2007,” Lukacs added.

Lukacs also said that the gaming market in Hungary is saturated and the number of operators has been constant at around 1,200 for years. „However, it is obvious that the internal structure of the market has changed since the last tax increase,” said Lukacs.

„The number of gaming halls, machines and gaming places has decreased slowly, but steadily. A survey by the association and the figures of the Department for the Supervision of Gambling at the Tax and Financial Control Administration imply that the number of category II gaming halls, machines and gaming places has dropped back even though the number of category I machines rose.

„The total number of machines fell by 1,000 in the first half of 2007. However, if we compare the present figure to 2004, the year preceding the tax increase, we see that the number of category II machines has fallen by 5 000, which is a 20 per cent decrease.”