

# Online betting regulation in Spain could be postponed another year

Despite the political will declared by the government in order to elaborate a bill to bring a legal answer to the tax benefits, the protection of players and the free provision of services in Spain by EU companies, the online gaming regulation remains at a standstill.

The Spanish Association of Internet Bettors (Aedapi) estimates that the benefits for the companies that operate in this sector exceeded the 200 million euros. It means a tax loss that could be around the 20 million euros if it is considered that the tax type for the national lottery is 10%.

In December 2007, the Congress of Representatives approved the Law of Measures to Boost the Information Society. This norm would establish the commitment of the government to present a bill to regulate online gambling and betting. A year later, there have been very few improvements on the matter.

In June 2008, there was a meeting of the Gambling Sectoral Commission, comprised by members of the Minister of the Interior, the Secretary of the State of the Information Society, the Tax Agency, the National Entity of Lotteries and Betting (Onlae) and autonomous communities.

Aedapi speaker considers that the bill will not conclude until next year. Meanwhile, online gaming is still submitted to a legal void.

Benefits of online gaming are not taxed and that is one of the aims of the new legislation. "A regulation must be performed, so, instead of paying in the UK, Austria or Malta, taxes are paid in Spain. Aedapi members are claiming to pay those taxes

here", indicates the speaker of the association.

Nowadays, companies located abroad pay taxes in their countries of origin. In the case of British firms, the activity has a 15% tax, on top of paying the tax to societies, too. In Madrid, online gaming benefits have a 10% tax.

Sacha Michaud assures that Internet gaming firms are not worried with the aim of the administration of installing gas stations and terminals with online gaming, which intends to increase the current 4,000 points of sale to 11,000.