



CHAMPIONING BRITISH RACING

British racing is the UK's second-largest sport and welcomes around **five million** racegoers annually to our **59 racecourses** across England, Scotland and Wales.

Our powerhouse industry generates **£4.1 billion** for the UK economy through hundreds of training yards and thousands of wider racing and breeding businesses.

British racing directly and indirectly supports **80,000** jobs in the rural economy, including **10,000** dedicated stud and stable staff who provide a high quality of care to our racehorses every day.

The health and welfare of horses is at the core of everything which British racing does. Our comprehensive welfare strategy – A Life Well Lived – is already improving welfare standards throughout

the lifetime of the racehorse, supported by **£3 million** of funding from The Racing Foundation.

British racing leads the sport internationally and is one of Britain's most effective soft power levers. Our premium meetings, such as Royal Ascot and the Ebor Meeting at York, attract competitors and spectators from around the world. These international events stand ready to be used by Government as an advert for Global Britain, with our recent inclusion in the GREAT campaign a welcome start.



THE HORSERACE BETTING LEVY

Betting on racing is safe, responsible fun for the overwhelming majority of people but we keep working to ensure the low level of gambling-related harm linked to racing is further reduced.

The finances of British Racing are closely linked with the UK betting sector. The revenues from betting activity are **reinvested every day across Britain in our rural and urban economies and communities**, developing young talent in the industry, upholding the integrity of our sport, and enhancing the welfare of our horses.

The Horserace Betting Levy is the central funding mechanism from British racing – paid by betting operators on their profits from betting activity on the

sport and reinvested into the British rural economy. The Levy is currently charged at 10% of a bookmaker's gross profits above the first £500,000 they make on British racing and is used for three statutory purposes, including the improvement of horseracing.

Since the Levy was reformed in 2017 to help legislation keep pace with the growth of digital betting, it has delivered between **£80-100 million** annually in funding for British racing. This has not been enough to allow British racing to remain competitive with its international rivals which receive a higher level of return from betting activity on their sport. This needs to be urgently addressed.



HOW LEVY REFORM WILL MAKE BRITAIN MORE INTERNATIONALLY COMPETITIVE

HOW TO REFORM THE LEVY

To ensure British racing can thrive in the long-term and maintain its position as the world-leading thoroughbred racing jurisdiction, immediate reform of the Horserace Betting Levy is vital.

British Racing calls on the Department for Culture, Media and Sport to amend the Horseracing Betting Levy in order to support a British sporting and cultural asset, by:

1. Increasing the rate of the **Levy on British Racing** to support funding for equine welfare development, veterinary science and education and prize money.
2. Applying the Levy to **all horseracing globally, for all bets placed in Britain**. This is based on both historic and international precedent.
3. Creating a **CPI-linked floor** to ensure that the Levy can't fall below its current figure and **allows Racing to have certainty about Levy funding** in the future.

ENABLING LONG-TERM GROWTH

Levy Reform will provide:

- Enhance prize money returns to participants, supporting rural businesses and fostering growth in hundreds of communities, while drawing significant inward international investment into Britain.
- Develop a world-leading racing product, working with the betting industry and broadcasters to engage our racegoers, punters and viewers.
- Underpin the sport's comprehensive equine welfare strategy – A Life Well Lived – in line with the Government's ambition for the UK to be a world leader on animal welfare.
- Support our participants' physical and mental wellbeing, improving facilities, and broadening training and education opportunities for people from all backgrounds.
- Provide world-class regulation and integrity standards, underpinned by investment in digital platforms and technologies.

HOW THE LEVY CAN APPLY TO ALL HORSERACING GLOBALLY, FOR BETS PLACED IN BRITAIN.

SCENARIO 1

An individual living in London places a bet on a race at Punchestown, Ireland.

THERE IS NO FINANCIAL RETURN FOR BRITISH RACING.

SCENARIO 2

An individual living in Dublin places a bet on the Cheltenham Festival.

THERE IS NO FINANCIAL RETURN FOR BRITISH RACING. HOWEVER, IRISH RACING WILL BENEFIT FROM A LEVY FUND, DRAWN FROM TAXATION FROM REVENUES ON THAT BET.

The result of these two scenarios:

- Irish racing will generate significantly more revenue for its industry from Irish customers' betting activity on British racing (c.1,500 fixtures annually) compared to Irish racing (c.350 fixtures annually)
- The international competitiveness of British racing is weakened due to the increased revenues on prize money in Ireland.

Regardless of where a race is being run globally, it should generate a return to British racing from bets by customers in the UK. This reflects historic and international precedent, and allows British racing to compete globally.



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