News Release

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Rank calls for a single rate of gaming tax

Piecemeal approach to gaming taxation stifles growth, inhibits UK job creation and puts vulnerable consumers at risk

British gaming company, The Rank Group Plc ('Rank' or 'the Group'), has today called on the Government to harmonise tax rates between online and land-based gambling. In a paper published by the Group today, Rank's chief executive and chairman, Ian Burke states that the creation of a level playing field for land-based operators will provide greater protection for consumers; and will benefit the economy through job creation and more sustainable tax generation.

The paper has been published at a time when HM Treasury is conducting reviews into the taxation of both gaming machines and online gambling. The Group urges the Government to use these reviews to level the playing field rather than to add complexity to an already confusing tax system.

The key benefits of the proposed changes are:

 Fairness – by removing arbitrary distinctions in the taxation of the same gaming products and thus guarding against market distortion;

 Responsibility – by encouraging the development of highly supervised licensed gaming venues, where adults can enjoy themselves safely; and

 Sustainability – by encouraging all operators to make a fair contribution to the UK economy through stable tax yields for the Exchequer and by stimulating job creation in the UK, through increased investment.

In the paper, Rank reminds the Conservative and Liberal parties of their pre-election pledges to bring the taxation of bingo in licensed clubs (currently 20%) in line with other forms of gambling, including online bingo, (either 0% or 15%).

The paper also points out the idiosyncracies of casino games which are subject to no fewer than seven different tax systems with duty rates from 0% for online games to as much as 50% in licensed venues.

Ian Burke, Chief Executive and Chairman of Rank, said:

"I believe that the Government has the opportunity to create jobs in the UK without sacrificing tax receipts by replacing the current patchwork quilt with a single tax, at a single rate".

A copy of Rank's tax paper, 'Responsible Taxation: Fairness, Simplicity and Sustainability' is available from www.rank.com.

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