

Gaming: a question of skill

Bring it in: There is a demand that betting on sports such as cricket should also come under gaming and be termed as games of skill. | Photo Credit: [Getty Images/istock](#)

Gaming in India is rapidly gaining acceptance, by both customers and legislators. But the question is, what exactly is it, how is it currently treated in India, and what are the best practices followed abroad that can be adopted here to regulate the industry as well as earn the government increased tax revenue?

Although 'gaming' in popular parlance has taken on the meaning of playing computer or video games, the term is in fact a reference to competitive activities — like rummy, chess, bridge, and the like — that are not categorised as sports, as well as the betting that is done on them. For example, not only does horse racing come under gaming, but so does betting on what horse will win.

There are some industry players who believe that betting on sports such as cricket should also come under gaming and be termed as games of skill. Regulating sports betting will bring it into the light and will prevent match-fixing, they argue. The Lodha Committee report, too, recommends this course of action.

FICCI, in a report in 2013, had said that the government stands to earn about 7,200 crore a year from taxes from only half the 3 lakh crore gaming industry in India.

The regulation of gaming in India is fragmented, with each state currently deciding the rules applicable in its jurisdiction, with variations emerging on the definition of gaming, the kinds of games that qualify, and the punishments meted out for indulging in gaming not allowed by law.

For example, Sikkim has the Sikkim Online Gambling (Regulation) Act, 2008 that only looks at online gaming, and not at activities conducted in brick and mortar gaming houses. The Nagaland Prohibition of Gambling and Promotion and Regulation of Online Games of Skill, Act, 2015 only permits skill-based games, defined as all games where there is a preponderance of skill over chance.

The Delhi Public Gambling Act, 1955 penalises the operation of a gaming-house and imposes a penalty for being found in a gaming-house. However, Section 13 of the Delhi Act exempts games of "mere skill" from its ambit.

Laws in other states such as Goa, Gujarat, Andhra Pradesh, Karnataka, Kerala, Maharashtra, Odisha, and Rajasthan are variations of this format. The All India Gaming Federation has asked the Law Commission — tasked with looking into the regulation of gaming — to consider proposing a nation-wide central gaming law.

The U.K. enacted an updated gambling law in 2005 that provided for the creation of a Gambling Commission, which was tasked with crime prevention, the promotion of an open and transparent gaming and gambling industry, and the protection of vulnerable people from the ills and dangers of gambling. The country further updated this legislation in 2014.

Spain has set a 25% tax rate on gambling revenue, among the highest in Europe, and requires customers to provide their unique national identification numbers, names, and addresses before they can be registered to gamble.

Other countries like Singapore, Malta, and the Isle of Man, have robust gaming legislations that can provide good examples of how India can regulate gaming and gambling while increasing government tax revenue, and curtailing misuse.

The service is available in Bengaluru, Kolkata and Chennai, operating 500 bicycles

END

Downloaded from [crackIAS.com](https://crackias.com)

© **Zuccess App** by [crackIAS.com](https://crackias.com)

crackIAS.com