

Euromat General Assembly Meeting Danish Annual Report 2006

Members

Because of uniting off AWP operators in Denmark the number of members has gone a little back in 2006, but DAB still represent 80 p.c. of the total numbers of AWPs in Denmark. 86 companies is now member of DAB.

Regulators

DAB has a good contact to The Ministry of Taxation. The market in Denmark is still hard regulated.

Danish Gaming Board

There is still a good co-operation between the Danish Gaming Board and DAB.

Main points in the present regulation

AWPs are only permitted in alcohol licensed restaurants and approved arcades.

All sites must have a license to operate AWPs.

Each single machine must be approved by an authorised testinstitution.

All machines in operation must be linked to a central monitoring system controlled by the Gaming Board.

Machines per site

Licensed restaurants: 1 to 3 AWPs

Arcades: individual

Gaming license

From 1 to 5 years. In restaurants limited to the remaining time of the alcohol license.

Gaming license fee

750 DKr. (100 Euro) per machine per year.

Taxation

The tax must be paid at a monthly basis.

In restaurants: 40% of Cash-box up to 30.000 DKr. (4.027 Euro) per month, plus 70% of Cash-box over 30.000 DKr. (4.027 Euro) per month. Further 1% has to be paid for gaming addiction treatment and research.

In arcades: 40% of Cash-box up to 250.000 DKr. (33.557 Euro) per month, plus 70% of Cash-box over 250.000 DKr. (33.557 Euro) per month. Further 1% has to be paid for gaming addiction treatment and research.

Deposits

A deposit to guarantee the tax must be paid before a site starts to operate. The deposit is 7.500

DKr. (1.006 Euro) for a restaurant and 95.000 DKr. (12.751 Euro) for an arcade.

The games

Cash-in and Cash-out.

Insert: 50 øre (7 cent)

Prize: max. 300 DKr. per game. (40 Euro)

General information

No VAT because of cash gaming.

1 EURO = 7,45 DKr.

Development the last years

	2004	2005	2006
AWPs	19.500	22.100	24.500

DAB since the last country report:

On June 30, 2006, the results were published of a problem gambling study which the Danish Ministry of Taxation had sponsored. The results showed that in Denmark there are currently only around 5,200 persons with a gambling problem so big that they can be called compulsive gamblers. If you compare the number of compulsive gamblers in Denmark with Norway and Sweden, Denmark has only 25% of the number in Norway and only 33% of the number in Sweden. The study is made by the Danish School of Social Sciences according to recognized international methods so the results cannot be questioned. One of the reasons for the findings of the study is probably that the Danish gambling environment in general does not offer high stakes but is more an amusement forum. The study is translated into English, see it on this Internet link: http://www.sfi.dk/graphics/SFI/Pdf/Arbejdspapirer/Arbejdspapirer/09_2006WP.pdf The results of phase 2 will be published during April 2007. Phase 2 looks into the reasons why some gamblers become addicted to gambling and will also include any influences from social and childhood factors.

On August 28th, 2006, DAB was very pleased to meet with the Danish Minister for Taxation, Kristian Jensen. During the meeting several topics were discussed, among others the development of a new cash-out system from AWP's (today it has to be as coins). The atmosphere at the meeting was very positive and the Minister stated that he considers the gaming industry an industry equal to all others in spite of any earlier prejudice.

2006 saw a tendency for AWP operators to be taken over or to merge. This means that the industry now sees big units that run many machines. As a result of the mergers, the four largest companies in Denmark now run more than half of the total of all AWP's in the country.

Poker saw a rapid development during 2006, also on the internet. Unfortunately this had the negative consequence that more very young people seek treatment for gambling addiction. More than half of the people seeking treatment for gambling addiction is addicted to poker. Lately Denmark has seen criminal convictions that prohibit poker in closed poker clubs. However, it remains an open question if this means that the number of poker clubs will actually decrease.

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