



Press Release

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New report highlights key role of pool betting to horseracing around the world

- World Tote Association publishes report making clear case for differentiating pool betting from other types of gambling
- Report's author reviewed evidence from 77 jurisdictions to showcase how pool betting can best help ensure a successful future for horseracing around the globe

Today, the World Tote Association has published a report to demonstrate the key role pool betting plays in ensuring a sustainable and successful future for horseracing around the globe.

The report, entitled **Tote Betting and Horse Racing: Tax, Responsible Gambling, and Contributions to Society** makes a clear case for tote betting to be differentiated from other forms of gambling.

The report's author, Martin Purbrick, has completed extensive research from 77 jurisdictions.

The report makes the following key points:

- Tote betting on horse racing is very different from other forms of gambling. It makes a **significant contribution to society**, poses a lower risk to consumers, and should be treated differently from other gambling types.
- Tote betting is **inherently different from fixed odds** betting. Profits for a tote operator are not based on customers losing but on a pool of betting from which customers share the winnings, and the tote operator takes only a commission.
- Tote betting is **fundamental to the economic structure of horse racing** around the world. As a sport and leisure activity, horse racing has a major positive economic impact that generates several hundred billion dollars in gross domestic product (GDP) and involves the employment of over two million people around the world.
- Tote betting **suffers from a structural tax problem** in most countries, being taxed at the same level as other forms of gambling that pose a higher risk to consumers and make a smaller contribution to horse racing and society as a whole.
- **Increasing the taxation rate on betting, especially tote betting, does not inversely reduce problem gambling**, as consumers are driven to illegal betting markets, where there are no responsible gambling measures in place.

- Due to relatively high levels of tax in some countries, **tote betting is prevented from competing effectively** against online illegal betting operators as well as offshore bookmakers who pay no tax to governments and make no financial contribution to horse racing.

The report concludes ‘*If horse racing is to survive as a sport, it is essential that tote betting be differentiated from other forms of gambling in national policies. The main recommendation from this report is that different forms of gambling should be taxed at different rates. In the case of tote betting, the tax rate should be lower to reflect lower harm levels and the sector’s contribution to horse racing and society as a whole.*’

Co-Chairs of the World Tote Association, Hasse Lord Skarplöth, Chief Executive of ATG and Alex Frost, Chief Executive of UK Tote, said: “*We hope this report will be a useful update to policy makers on the significant role Tote betting plays in supporting horse racing around the world. Members of the World Tote Association want to work with governments, gambling regulators and racing authorities to ensure Tote betting can continue to play a constructive, and growing role, in supporting the sport and wider society through safe, responsible and engaging betting activity.*”





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REPORT



For further information
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Martin Purbrick, on assignment and in collaboration with WoTA members, worked on the report from February to May 2024.

About World Tote Association

The World Tote Association brings together Tote/parimutuel betting operators from around the world to work together to promote and support the horseracing industry in a socially responsible and sustainable manner.

WoTA counts 21 tote operators representing a turnover of more than €25 billion and 10 Associate members (Technology and services providers and Racing organisers).

Beyond legal obligations, WoTA members are committed to maintaining a balance between their commercial objectives and social responsibility, including the promotion of responsible gambling and funding for horseracing.



About Martin Purbrick

Martin Purbrick is a consultant, analyst and writer who has spent 35 years in various risk management roles, 17 of which involved horse racing and betting.

Martin is the Chairperson of the Council on Anti-Illegal Betting & Related Financial Crime, a think tank established by the Asian Racing Federation. The ARF Council was established in 2017 and now comprises members from organisations engaged in horse racing and sports integrity, law enforcement, the UNODC, and academia.

www.world-tote.org