

**SUMMARY OF THE JUDGEMENT No. 34/2018 OF THE CONSTITUTIONAL COURT OF BELGIUM
(22/3/2018)**

TYPE	CONSTITUTIONAL COMPLAINT	
Subject	Action for the annulment of the articles 29-34 of the Program Law of 1 July 2016 (Abolishing the VAT-exempt status of online games of chance or money other than lotteries)	
Parties	Complainants	Respondent
	<i>Casino Austria International Belgium Plc, Walloon government, Reel Europe Ltd, Pac-Man Plc, Sagevas Plc, Star Matic BVBA, Unibet (Belgium) Limited, Blancas, Rocoluc Plc et al.</i>	Federal Council of Ministers of the Kingdom of Belgium
Applicable Law	Constitution of the Kingdom of Belgium, Program Law of 1 July 2016, Special Law on Financing of the Regions of 2001, Gaming and Betting Act, EU VAT Directive, Judgement No. 128/2011 of the Constitutional Court	
Judgement	Annulment of the articles 29-34 of the Program Law of 1 July 2016	
Court Position	<ul style="list-style-type: none"> • No legal grounds for different VAT treatment of various types of games of chance (principle of unity and horizontal consistency of games of chance as confirmed by the Court's Judgement 128/2011) • VAT on games of chance is a de facto turnover tax (which is prohibited by the provisions of Article 401 of the EU VAT Directive, when introduced as another tax on gambling) • Taxation of gambling is within the area of competence of regions (pursuant to Article 3, Paragraph 1 of the 2001 Special Law on Financing of the Regions) • VAT reduces taxable base of operators and public incomes of regions and leads to a less attractive licensed offer. 	