

**Issue of Amusements with Prizes Licence under
the Gambling Ordinance (Cap. 148)
Frequently Asked Questions**

1. Under what circumstances is an Amusements with Prizes Licence (AWPL) required?

Any person who wants to organise or conduct a game of amusement with prizes at premises licensed under the Places of Public Entertainment Ordinance (Cap. 172) regulating places of public entertainment must apply for an AWPL from the public officer appointed by the Secretary for Home and Youth Affairs. The organization and conduct of a game of amusement with prizes on premises licensed under a Places of Public Entertainment Licence (for example, family amusement centres, places in or on which functions like funfair, bazaar and grand fete are presented or carried out) will usually require an AWPL.

2. Why is it necessary to apply for a Places of Public Entertainment Licence (PPEL) in addition to an Amusements with Prizes Licence (AWPL)?

This is a statutory requirement of the Gambling Ordinance (Cap. 148). According to section 22(1)(a)(iii) of this Ordinance, public officer appointed by the Secretary for Home and Youth Affairs may issue an AWPL to an applicant only after a PPEL has been issued by the Food and Environmental Hygiene Department to the premises involved.

3. Does the operation of a toy capsule machine require an Amusements with Prizes Licence (AWPL) under the Gambling Ordinance (Cap. 148)?

According to section 2 of the Gambling Ordinance (Cap. 148) (the Ordinance), “gaming” means the playing of or at any game for winnings in money or other property whether or not any person playing the game is at risk of losing any money or other property.

“Game” means a game of chance and a game of chance and skill combined and a pretended game of chance or chance and skill combined, and also means any game whatever in which - (a) a bank is kept by one or more of the players exclusively of the others; or (b) the chances of the game are not equally favourable to all the players, including among the players, the banker or other person by whom the game is managed or against whom the players stake, play or bet.

Under section 3 of the Ordinance, if the game is a game of amusement with prizes, the organisation and conduct of which should obtain an AWPL; otherwise, the concerned gaming event is unlawful.

A typical toy capsule machine will randomly dispense an item upon payment. A customer will be clearly informed of the type(s) of items available in that particular machine, and the monetary values of items available in the machine are largely the same (e.g. same type of product but in different colors) and unlikely to exceed the payment by a customer. In such circumstances, the operation of such machine, which is similar to other common means of selling products, would generally not constitute “gaming”. An AWPL is therefore not required.

However, if the monetary value of some items inside the toy capsule machine is significantly higher than that of the other items, obtaining an item from such machine may constitute “gaming”. The operation of such machine is regulated by the Ordinance and hence an AWPL is required.

The above example about toy capsule machines is for general reference only. Whether the business operation modes of toy capsule machines may constitute “gaming”, and hence require an AWPL will be determined on the actual game method or operation mode of such machines.

- 4. If a shop operator organizes activities where participants will get prize(s) or item(s) of different values, is an Amusements with Prizes Licence (AWPL) required?**

In general, an AWPL is required if the activity concerned is a game of amusement with prizes which constitutes “gaming” as defined in section 2 of the Gambling Ordinance. Each case will be determined on its own facts and circumstances.

In any event, the Office of the Licensing Authority will not issue an AWPL, unless the playing/operation modes of the relevant activity comply with the requirements for the issue of AWPL and fulfil all the vetting criteria for games of amusements with prizes.

5. How may an applicant of Amusements with Prizes Licence (AWPL) be eligible for a waiver or reduction of the licence fee? What is the application procedure?

In general, an application for a waiver of the licence fee of AWPL may be favourably considered if the applicant organization or the parent organization of the applicant organization is a charitable institution or trust of a public character which is exempted from tax under section 88 of the Inland Revenue Ordinance (Cap. 112). As for an application for reduction of licence fee, it may normally be granted if the applicant organization is a noncommercial or voluntary services group and does not charge or collect any fees for the participation in the games of amusements with prizes or admission to the venue.

These requests should be made by the applicant of the licence in writing to the Office of the Licensing Authority (OLA) stating the reasons and enclosing all supporting documents. The OLA will consider each case on its own merits.