

Will poker winnings be taxed? Level of skill needed to win means Government is considering levy

- Study looked at 456 million hands of poker and where players ranked
- Those who ranked top initially were far more likely to rank top again
- Study proves skill involved in game, so government could tax winnings

By [EUGENE HENDERSON](#) and [ANDY DOLAN FOR THE DAILY MAIL](#)

PUBLISHED: 01:53 GMT, 25 March 2015 | UPDATED: 09:12 GMT, 25 March 2015

686

shares

67

[View comments](#)

Most poker players would suggest that the game is more about skill than chance.

But the authors of a new study backing that theory say their findings could prompt the government to consider taxing players' winnings.

Researchers analysed hundreds of millions of online plays to discover 'substantial evidence' of skill's role in a successful game.



© Alamy

The government could be ready to tax poker winnings after a study by the University of Nottingham showed that winning big is more a question of skill than chance

Drawing on a database of 456 million player-hand observations from a year's worth of online games, academics discovered players who ranked in the top-performing ten per cent in the first six months were more than twice as likely as others to do similarly well in the next six months.

Researchers from the University of Nottingham, working with colleagues from Erasmus University Rotterdam and VU University Amsterdam, also noted that players who finished in the top one per cent in the first half of the year were 12 times more likely than others to repeat the feat in the second half.

SHARE THIS
ARTICLE

RELATED ARTICLES



Ex-girlfriend of Sir



Ex-footballer who

☒ Site ☐ Web Enter your search

Like
Daily Mail

Follow
[@dailymailuk](#)

Follow
Daily Mail

+1
Daily Mail

DON'T MISS

New mother Hayden Panettiere checks into treatment facility amid battle with postpartum depression Seeking help



Forgotten something? Selena Gomez wears knit crop top and no bra as she takes NYC by storm to promote new album Slit-to-the-thigh skirt



Lamar Odom is 'fighting for life': NBA star and ex-husband of Khloe Kardashian found unconscious at Vegas brothel after 'days of partying'



Khloe Kardashian and her family 'rush to be by Lamar Odom's side' hours after she was pictured on lingerie shoot in LA He's fighting for life



'Mom wouldn't let me': Kylie Jenner denies plastic surgery rumours saying mother Kris Jenner wouldn't allow her to go under the knife All natural



Can a meal replacement diet REALLY work? We challenged four women to try... and asked an expert to talk us through the science SPONSORED



Kylie Jenner's family are not impressed when she brings boyfriend Tyga on holiday with them... as he makes his KUWTK debut Off to St. Barts



As Lamar Odom fights for his life, the highs and heartbreaking lows of



Terence Conran whose gambling mother...



fronted £30m investment scheme which left...

The findings could leave card sharps ready to throw in their hand - and the taxman rubbing his hands with glee.

Poker is among the most popular internet games in the UK, with leading bookmakers and other big-name operators running sites attracting millions of players.

H2 Gambling Capital, a leading consultancy in the gaming industry, calculated that in 2013 alone online poker rooms generated more than £2bn in winnings, with expert players often taking part in multiple online games at once.

The academics ran tens of thousands of simulations, pitching the best performing players in the sample against the worst and comparing their respective winnings.

Over the course of just a few hands the better-performing players fared better only slightly more than half the time.

But their success rate gradually increased until they 1,471 hands had been played, when they fared better at least 75 per cent of the time.

Dr Dennie van Dolder, of the University of Nottingham's School of Economics, said the study showed 'skilled players will consistently outperform less skilled players if enough hands...are played.'

The expert in behavioural and experimental economics said that if, as the study found, performance is predictable, 'then it follows that poker involves an element of skill and can't be merely a game of pure chance.'

Writer and TV presenter Victoria Coren Mitchell, one of Britain's top professional players, has won more than £1.5m - including £400,000 at a single event.

Dr van Dolder said his study's findings could now have 'significant legal implications' for such people.

He added: 'It's up to legislators to decide whether the role of chance diminishes fast enough for poker to be considered a game of skill. If so then our findings represent both good and bad news for players.'

'The good news is they'll have the satisfaction of knowing the game they love is recognised as requiring real skill.'

'The bad news is that one day they might have to start handing some of their winnings to the taxman if the policymaking community takes notice of findings like ours.'

The research contradicts a 2012 study by Professor Gerhard Meyer, of the University of Bremen's Institute of Psychology and Cognition Research, which suggested that poker was largely a game of chance.

In that study, 300 poker players took part, playing 60 hands each on tables of six. They were divided into 'expert' and 'average' players, and their ability to make money from good, bad and average hands was assessed.

As expected, 'expert' players lost less money on bad hands, but did no better than 'average' players on mediocre hands - and made slightly less on good ones. Prof Meyer concluded that 'poker players overestimate the skill factor in their play'.



Writer and TV presenter Victoria Coren Mitchell, one of Britain's top professional players, has won more than £1.5m - including £400,000 at a single event

Share or comment on this article

686

shares

Sponsored Links by Taboola

Khloe's troubled relationship with the former NBA star she couldn't give up



Beaming Anthea Turner looks radiant in bright yellow cardigan and skinny jeans as she steps out for Charli XCX gig... after unsuccessful turn on First Dates

...as TV presenter and her estranged husband Grant Bovey are set for 'quickie divorce' today: Ex-Blue Peter presenter applies to court for marriage to end



'NO JOKE': Caroline Flack demands sympathy after 'breaking' her arm as The X Factor's live shows loom
Visibly deformed limb



The ultimate walk of shame! Party girl Poppy Delevingne returns home after wild night at Chanel bash... at 3PM the next day
Returned barefoot



Rachel Weisz stuns in black floral gown as she teams up with suave Colin Farrell at The Lobster's London premiere



'They won't tell me!' Kris Jenner says Kim and Kanye are keeping baby's name a secret... revealing hospital dash was to get North's wrist checked



Harry Styles 'blasts ex-girlfriend Taylor Swift's catalogue of break-up songs in upcoming One Direction single Perfect'
Thinly-veiled critique



'She thinks he's a drunk mess': Kourtney Kardashian 'does not want to share custody' of three children with Scott Disick



Making her entrance! Charli XCX flaunts her curves by going braless under a tight pink top teamed with a suede mini skirt as she arrives for her star-studded gig



Britney Spears' cheeky