

Race and Sports Bookmaking (Tax Rates) Determination 2007 (No 1)*

Disallowable instrument DI2007—129

made under the

Race and Sports Bookmaking Act 2001 - s65 Determination of tax rates etc.

1. Name of Instrument

This Instrument is the *Race and Sports Bookmaking (Tax Rates) Determination 2007 (No 1)*.

2. Revocation

I revoke determination DI2003-275 dated 29 September 2003 and notified in the Legislation Register on 29 September 2003.

3. Commencement

This instrument commences on 1 July 2007.

4. Determination

I determine that the tax rates for race and sports bookmaking are as follows:

Tax on race bookmaking

1. For the purposes of subsection 64(1) of the Act, the rate of tax is 0% of the race bookmaker's turnover.

Tax on sports bookmaking

2. For the purposes of subsection 64(2) of the Act the tax payable is the total of the following, less the GST credit, in each payment period of the licence:
 - (a) 0.25% of the bookmaker's turnover on fixed odds betting on events named in Schedule 1;
 - (b) for fixed odds betting on events where the number of possible outcomes is 4 or less, other than those included in paragraph (a):
 - (i) where the bookmaker's turnover for the period from the start of the financial year to the end of the payment period is equal to or less than \$15,000,000 - 0.50% of the bookmaker's turnover for the payment period; or

*Name amended under Legislation Act, s 60

- (ii) where the bookmaker's turnover for the period from the start of the financial year to the start of the payment period is greater than \$15,000,000 - 0.17% of the bookmaker's turnover for the payment period; or
 - (iii) where between the start and end of the payment period the bookmaker's turnover since the start of the financial year becomes greater than \$15,000,000:- 0.50% of the bookmaker's turnover for the payment period except that on the amount of turnover for the financial year (as at the end of the payment period) which is greater than \$15,000,000, 0.17%, of the bookmaker's turnover is payable.
- (c) for all fixed odds betting on events not included in paragraphs (a) or (b):
- (i) where the bookmaker's turnover for the period from the start of the financial year to the end of the payment period is equal to or less than \$40,000,000 - 1.00% of the bookmaker's turnover for the payment period; or
 - (ii) where the bookmaker's turnover for the period from the start of the financial year to the start of the payment period is greater than \$40,000,000 - 0.60% of the bookmaker's turnover for the payment period; or
 - (iii) where between the start and end of the payment period the bookmaker's turnover since the start of the financial year becomes greater than \$40,000,000:- 1.00% of the bookmaker's turnover for the payment period except that on the amount of turnover for the financial year (as at the end of the payment period) which is greater than \$40,000,000, 0.60% of the bookmaker's turnover is payable.
- (d) 6.75% of the bookmaker's turnover on spread betting transactions;
- (e) 6.00% of the bookmaker's turnover on pari-mutuel sports betting transactions; and
- (f) 0.25% of the bookmaker's turnover on tote odds betting transactions on events named in schedule 2.
3. A sports bookmaker must pay the tax to the ACT Gambling and Racing Commission by the 28th day of the month following the expiry of the payment period.

The GST Credit

4. The GST credit applies if a sports bookmaker was liable for a global GST amount (the GST paid) for a GST tax period that ended during a payment period.
5. If the GST paid in respect of the payment period is less than the sports bookmaker's gross tax payable for the payment period, the amount of tax for which the sports bookmaker is liable is reduced by the amount of the GST paid.
6. (a) If the GST paid in respect of the payment period is equal to or more than the sports bookmaker's gross tax payable for the payment period, the sports bookmaker is not liable for tax for the payment period; and

- (b) the remaining difference between the gross tax payable for the payment period and the GST paid may be added to the GST credit for the following payment period, as long as the following payment period is within the same financial year.

In this determination:

GST Credit is the global GST amount paid by a sports bookmaker under the GST provision on bets accepted by the sports bookmaker in the Australian Capital Territory during the relevant payment period.

Global GST amount – see GST provision.

GST provision means section 126-10 of *A New Tax System (Goods and Services Tax) Act 1999* (Commonwealth), which deals with tax on gambling revenues.

payment period means:

- (a) for race bookmakers - a period of 3 months ending on 31 March, 30 June, 30 September or 31 December;
- (b) for sports bookmakers who have obtained approval from the ACT Gambling and Racing Commission to pay sports bookmaking taxes on a quarterly basis - a period of 3 months ending on 31 March, 30 June, 30 September or 31 December;
- (c) for other bookmakers – a period of each individual month.

gross tax payable for the payment period means the amount of tax payable pursuant to sub-section 64(1) and 64(2) of the Act for the relevant payment period.

Jon Stanhope MLA
Treasurer

19 June 2007

This is Schedule 1 of the Determination made under the *Race and Sports Bookmaking Act 2001* on the 19 day of June 2007.

SCHEDULE 1

- Item (i) English Football Association cup matches and all finals;
- Item (ii) Scottish Football Association cup matches and all finals;
- Item (iii) Matches conducted by the English Football Association, including Premier League and divisions 1 to 3;
- Item (iv) Matches conducted by the Scottish Football Association including Premier League and divisions 1 and 2;
- Item (v) European Cup soccer matches and all finals;
- Item (vi) European Club soccer matches and all finals;
- item (vii) World Cup soccer matches, including all finals;
- Item (viii) Olympic Games Qualifying soccer matches;
- Item (ix) any other FIFA sanctioned international soccer matches;
- Item (x) US National Football League matches;
- Item (xi) US National Basketball League matches;
- Item (xii) US National Baseball League matches;
- Item (xiii) US National Hockey League matches.

Initial

This is Schedule 2 of the Determination made under the *Race and Sports Bookmaking Act 2001* on the 19 day of June 2007.

SCHEDULE 2

- Item (i) North American Thoroughbred Horse Racing;
- Item (ii) North American Greyhound Racing;
- Item (iii) North American Harness Racing;
- Item (iv) North American Quarter Horse Racing.