

Australian Capital Territory

# Gaming Machine (Determination of Surrender Obligations) Guidelines 2025 (No 1)\*

Disallowable instrument DI2025–2

made under the

Gaming Machine Act 2004, section 10L (Guidelines for assessment etc)

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## 1 Name of instrument

This instrument is the *Gaming Machine (Determination of Surrender Obligations) Guidelines 2025 (No 1)*.

## 2 Commencement

This instrument commences on the day after its notification day.

## 3 Guidelines for determination of surrender obligations

I make the Guidelines for Determination of Surrender Obligations in schedule 1.

## 4 Expiry

This instrument expires on 31 December 2025.

Marisa Paterson  
Minister for Gaming Reform  
20 December 2024

\*Name amended under Legislation Act, s 60

# Schedule 1            Guidelines for Determination of Surrender Obligations

(see cl 3)

## 1        Background

- 1.1.    The *Gaming Machine Act 2004* authorises the Minister to make guidelines for making an assessment of surrender obligations under section 10J.
- 1.2.    When making an assessment of surrender obligations under section 10J the minister must, in addition to the matters in sections 10J(3)(a)-(d), as far as practicable apply any guidelines made under section 10L.

## 2        Definitions

- 2.1.    In these guidelines:

*acquiring licensee*—see the Act, section 127F.

*Act* means the *Gaming Machine Act 2004*.

*authorisation*—see the Act, dictionary.

*authorised premises*—see the Act, dictionary.

*cancellation*, of an authorisation, means any authorisation forfeited by a licensee under the Act, section 65A, because of cancellation of a licence or authorisation certificate under part 4 of the Act.

*census day* means the day determined by the Minister under the Act, section 10I.

*exempt premises*, for a licensee, means an authorised premises for which a licensee held fewer than 20 authorisations on the census day.

*forfeiture*, of an authorisation, means any authorisation surrendered by an acquiring licensee under the Act, section 127F.

*licensee*—see the Act, section 10I.

*non-exempt premises*, for a licensee, means an authorised premises for which a licensee held 20 or more authorisations on the census day.

*trading scheme* means the scheme providing for the trading of authorisations and gaming machines established by the Act, division 6A.6.

*voluntary surrender*, of an authorisation, means an authorisation surrendered by a licensee under the Act, section 37F.

## 3        Determination of surrender obligations on census day

- 3.1.    The surrender obligation of each licensee assessed on the census day is the sum of the surrender obligation for each authorised premises of a licensee.

- 3.2. The surrender obligation for each exempt premises is zero.
- 3.3. The surrender obligation for each non-exempt premises is the number worked out as follows:

$$\left( \text{target reduction} \times \frac{\text{authorisations for premises}}{\text{total non-exempt authorisations}} \right) + \text{rounding allocation}$$

*authorisations for premises* means the number of authorisations held for the non-exempt premises for which the surrender obligation is being worked out.

*rounding allocation* means any additional surrenders of authorisations for a non-exempt premises necessary to reach the target reduction.

*target reduction* means the total number of authorisations that must be surrendered to reach the target cap on authorisations of 3 500 authorisations.

*total non-exempt authorisations* means the sum of all authorisations held for all non-exempt premises for all licensees.

- 3.4. The Act, section 10J(4), requires the surrender obligation for each premises to be rounded to the nearest whole number. Where the unrounded surrender obligation is exactly halfway between two whole numbers, the surrender obligation is rounded to the nearest even number.

**Example—rounding**

An unrounded surrender obligation of 17.5 or 18.5 are both rounded to 18.

- 3.5. The rounding allocation is worked out from any shortfall in the sum of surrender obligations of all non-exempt premises necessary to reach the target reduction that arises because the surrender obligation for each non-exempt premises is rounded to the nearest whole number (the *rounding shortfall*).
- 3.6. Starting with the non-exempt premises with the most authorisations and working down to the non-exempt premises with the fewest authorisations, the rounding shortfall is added in increments of 1 authorisation to the surrender obligation of each non-exempt premises until the total surrender obligation of all non-exempt premises equals the target reduction.

## 4 Adjustment of surrender obligations

- 4.1. The surrender obligation of each non-exempt premises as worked out on the census day must be adjusted to take into account any decline in the target reduction between the census day and the period ending on 1 May 2025 (*adjusting day*).
- 4.2. Any decline in the target reduction arising from:
  - (a) voluntary surrender of authorisations for an exempt premises; and
  - (b) cancellation of authorisations for any authorised premises, other than where this arises from voluntary surrender;

is subtracted from the target reduction *before* working out the surrender obligation for each non-exempt premises (the *revised target*).

- 4.3. The rounding allocation is worked out from any rounding shortfall necessary to reach the revised target.
- 4.4. Any decline in the target reduction arising from voluntary surrender of authorisations for a non-exempt premises is subtracted from the surrender obligation of the non-exempt premises *after* working out the surrender obligation for each non-exempt premises.
- 4.5. Any decline in the target reduction arising from forfeiture of authorisations by an acquiring licensee is subtracted from the surrender obligation of the authorised premises for which the authorisations were acquired *after* working out the surrender obligation for each non-exempt premises.
- 4.6. Any change in the number of authorisations held for an authorised premises due to the disposal or acquisition of authorisations through the trading scheme is taken into account when working out the surrender obligation of an authorised premises on the adjusting day.
- 4.7. The surrender obligation of each licensee assessed on 2 May 2025 is the sum of the surrender obligation for each authorised premises of a licensee as adjusted under this part.