

Australian Capital Territory

Casino Control (General Tax) Exemption 2006 (No 1)

Disallowable Instrument DI2006–63

made under the

Casino Control Act 2006, section 126 (Exemption from general tax)

EXPLANATORY STATEMENT

The *Casino Control Act 2006* regulates the operation of the casino in the Territory.

The *Casino Control Act 2006* commences on 1 May 2006 and replaces the *Casino Control Act 1988*.

Section 125 of the *Casino Control Act 2006* sets out the formula for general tax payable by the casino licensee upon its non-commission-based profit derived in each month from the operation of the casino.

Section 126 of the *Casino Control Act 2006* allows the Minister to make a Determination to exempt the casino licensee from payment of general tax in relation to a gaming activity in the casino if the activity is subject to a tax under another Territory law.

The casino licensee has an ACTTAB Limited agency operating within its premises. ACTTAB Limited already pays the Territory tax in relation to its operations pursuant to the *Betting (ACTTAB Limited) Act 1964* and the *Race and Sports Bookmaking Act 2001*.

This determination provides the casino licensee with an exemption from paying general tax, (as determined under section 125 of the *Casino Control Act 2006*), in relation to ACTTAB Limited's gaming activity conducted in the casino. As a result, this determination prevents any unintended double taxation of ACTTAB Limited's activities within the casino.

The Determination of an exemption from paying general tax is a disallowable instrument and must be tabled in the Legislative Assembly.

Under the previous *Casino Control Act 1988*, a less than ideal arrangement was in place where the small area occupied by the ACTTAB Limited agency was not designated under the regulation as part of the casino. This prevented the double taxing of ACTTAB Limited activity. The new exemption scheme under the *Casino Control Act 2006* provides a transparent arrangement to resolve the double taxation dilemma.