AUSTRALIAN CAPITAL TERRITORY

RACE AND SPORTS BOOKMAKING ACT 2001

DETERMINATION OF TAX RATES

INSTRUMENT NO. 259 OF 2001

EXPLANATORY STATEMENT

Outline

The *Race and Sports Bookmaking Act 2001* (the Act) governs the activities of bookmakers in the Australian Capital Territory.

For the purposes of sub-section 64(1) of the Act, sub-section 65(1) provides that the Minister may determine the rate of tax applying to the turnover of race bookmakers. The rate of tax is 1% of the bookmaker's turnover, less a credit for global GST.

For the purposes of sub-section 64(2) of the Act, sub-section 65(2) provides that the Minister may determine the rate of tax applying to the turnover of sports bookmakers. The rates of tax applying are:
- 0.25% of turnover for betting on designated international sports listed in the schedule to the instrument;

- 0.5% of turnover on head-to-head sports betting;

- 1% of turnover on other sports betting;

- 6.75% of turnover for spread betting; and

- 6% of turnover for turnover on parimutuel sports betting.

In all cases the tax payable is calculated as a percentage of turnover, less a credit for global GST. Turnover in relation to parimutuel betting means, essentially, the bookmaker's commission.

Bookmakers with a turnover of less than $20 million may lodge the Business Activity Statement (BAS) with the Australian Taxation Office (ATO) on a quarterly basis. Bookmakers may seek approval from the ACT Gambling and Racing Commission to lodge returns on a quarterly basis in line with their BAS lodgement

Bookmakers may rollover residual GST Credit from one payment period to the next, provided that both payment periods fall within the same financial year.

A bookmaker may field in more than one jurisdiction during a relevant period. Global GST may be generated in one or more of these jurisdictions. This determination clarifies the GST credit which can be claimed against the bookmaker's tax payable as being global GST attributable only to bets accepted within the Australian Capital Territory.