

Australian Capital Territory

Gaming Machine (Offset Amounts) Amendment Regulation 2024 (No 1)

Subordinate law SL2024–31

made under the

Gaming Machine Act 2004, s 178 (Regulation-making power)

EXPLANATORY STATEMENT

This explanatory statement relates to the *Gaming Machine (Offset Amounts) Amendment Regulation 2024 (No 1)* (**the Regulation**) as made by the Executive. It has been prepared to assist the reader of the Regulation. It does not form part of the Regulation and has not been endorsed by the Legislative Assembly.

This statement must be read in conjunction with the Regulation. It is not, and is not meant to be, a comprehensive description of the Regulation. What is said about a provision is not taken as an authoritative guide to the meaning of a provision, this being a task for the courts.

BACKGROUND

In the *Parliamentary Agreement for the 9th Legislative Assembly*, the ACT Government committed to reducing the number of gaming machine authorisations to 4,000 by 2020 as part of a range of measures intended to reduce gambling harm.

The ACT Government introduced incentives for gaming machine licensees that voluntarily surrender gaming machine authorisations by establishing a legislative framework through the *Gaming Legislation Amendment Act 2018*. The amendment Act inserted Part 2A into the *Gaming Machine Act 2004*, providing for a financial incentive for clubs that voluntarily surrender authorisations by allowing clubs to exchange their surrenders with offset amounts. The offset amounts could be applied against amounts payable to the Territory relating to a range of government land, lease, and planning and development charges.

Section 10H of the *Gaming Machine Act 2004*, together with the *Gaming Machine (Offset Amounts) Regulation 2018*, provide for the fees, charges and other amounts against which clubs are able to apply offset amounts. Section 10H allows for a regulation to prescribe further amounts.

OVERVIEW OF THE REGULATION

The Regulation amends the *Gaming Machine (Offset Amounts) Regulation 2018* to prescribe duties payable on dutiable transactions under Chapters 2 and 3 of the *Duties Act 1999* as offset amounts under section 10H of the *Gaming Machine Act 2004*. As a result of this Regulation clubs which obtained offsets from surrendering gaming machine authorisations under Part 2A of the *Gaming Machine Act 2004* are now able to offset duties that become payable when acquiring land such as a commercial or residential property.

The *Duties Act 1999* imposes duties on transfers of land, known as dutiable property. These can include residential properties, land used for primary production purposes, commercial properties (such as childcare centres or office spaces), or mixed-use land, among other types. Allowing clubs to offset these duties will reduce barriers for clubs to expand the ways they can diversify their businesses and establish new revenue streams, away from gaming machine revenue. The Regulation will serve to lower cost barriers for clubs to expand into alternative revenue generation strategies.

REGULATORY IMPACT STATEMENT

Section 34 of the *Legislation Act 2001* requires the preparation of a regulatory impact statement where a subordinate law is likely to impose appreciable costs on the community, or a part of the community.

Since the Regulation reduces the costs to clubs acquiring dutiable properties as part of their revenue diversification activities, a regulatory impact statement has not been prepared in this instance.

CLIMATE IMPACT

The Regulation will not have an impact on emissions production or abatement.

CONSISTENCY WITH HUMAN RIGHTS

The Regulation does not engage any human rights set out in the *Human Rights Act 2004* as the offset amounts are only accessible under a voluntary surrender agreement entered into by a gaming machine licensee and the Territory. Eligibility for offset amounts is restricted to gaming machine licensees that are clubs, and all club licensees operate within a corporate or incorporated association structure.

CLAUSE NOTES

Clause 1 Name of regulation

Clause 1 names the Regulation as the *Gaming Machine (Offset Amounts) Amendment Regulation 2024 (No 1)*.

Clause 2 Commencement

Clause 2 provides for the commencement of the Regulation on the day after its notification day.

Clause 3 Legislation amended

Clause 3 provides that the Regulation amends the *Gaming Machine (Offset Amounts) Regulation 2018*.

Clause 4 New section 4 (1) (f) and (g)

Clause 4 inserts new section 4 (1) (f) and (g) to the *Gaming Machine (Offset Amounts) Regulation 2018*. This clause prescribes duties payable under Chapters 2 and 3 of the *Duties Act 1999* as amounts clubs are eligible to claim using an offset amount under a voluntary surrender agreement entered into with the Territory under the Part 2A of the *Gaming Machine Act 2004*.

Clause 5 New section 5

Clause 5 prescribes the *Duties Act 1999* for purposes of subparagraph 10H (4) (b) (viii) of the *Gaming Machine Act 2004*.