

Gaming Tax Notice (No.2) 2020

Explanatory notes for SL 2020 No.177

made under the

Gaming Machine Act 1991
Lotteries Act 1997

General Outline

Short title

Gaming Tax Notice (No.2) 2020

Authorising law

Section 367C *Gaming Machine Act 1991* (Gaming Machine Act)
Section 99A *Lotteries Act 1997* (Lotteries Act)

Policy objectives and the reasons for them

Pursuant to the Lotteries Act and Lotteries Regulation 2007, a lottery tax for a given month is required to be paid on or before the 7th day of the following month.

The Gaming Machine Act provides the Minister responsible for the regulation of gambling with a time limited ability to defer payment of a gaming tax payable under the Lotteries Act via a gaming tax notice, subject to the approval of the Treasurer. The power granted under section 367C of the Gaming Machine Act to defer a gaming tax includes the power to decide the terms for the payment of the tax and refund any deferred tax that may have already been paid.

To help manage the impact of the Coronavirus (COVID-19) pandemic on the sole lottery operator licensed under the Lotteries Act and its retail venue partners, the Gaming Tax Notice (No.2) 2020 (Gaming Tax Notice) defers the collection of the July 2020, August 2020, September 2020, October 2020, November 2020 and December 2020 lottery taxes. The deferred taxes must be paid in full before 1 April 2021, including by instalments due before that date, on terms decided by the Commissioner for Liquor and Gaming. The Treasurer approved this arrangement at the suggestion of the Minister on 5 August 2020.

The objective of the Gaming Tax Notice is to provide for the deferral and repayment of lottery taxes in accordance with the Treasurer's approval.

Achievement of policy objectives

The Gaming Tax Notice achieves the policy objectives by providing that the payment of a lottery tax under the Lotteries Act for the period of July 2020 to December 2020 is deferred.

The deferred taxes are required to be repaid before 1 April 2021 in accordance with terms decided by the Commissioner for Liquor and Gaming. These terms may allow for the repayment of the deferred taxes by instalment.

Consistency with policy objectives of authorising law

The Gaming Tax Notice is consistent with the purpose of Part 11A of the Gaming Machine Act. Section 367 of the Gaming Machine Act states that the purpose of Part 11A is to provide for the payment of gaming taxes to be deferred to alleviate the financial burden caused by the COVID-19 emergency on gaming operators.

Inconsistency with policy objectives of other legislation

The Gaming Tax Notice is not inconsistent with the policy objectives of other legislation.

Benefits and costs of implementation

The deferral of the July 2020 to December 2020 lottery taxes will assist the sole lottery operator licensed in Queensland in dealing with the disruption caused by the COVID-19 pandemic.

The deferred lottery taxes equate to a total of approximately \$158 million.

Consistency with fundamental legislative principles

The Gaming Tax Notice is consistent with fundamental legislative principles.

Consultation

Queensland Treasury and the Department of the Premier and Cabinet were consulted on the Gaming Tax Notice. No objections were raised.

The Office of Best Practice Regulation advised the Gaming Tax Notice is considered to be machinery in nature. On this basis, the Gaming Tax Notice is excluded from the regulatory impact assessment.