



New South Wales

# Gaming Machine Tax Amendment (Promotional Prizes) Bill 2021

## Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

## Overview of Bill

The object of this Bill is to amend the *Gaming Machine Tax Act 2001* (the **GMT Act**) to make it clear that bets placed on gaming machines using promotional prizes are taxable.

Under the GMT Act, tax is payable on profits from gaming machines kept in a hotel or on the premises of a registered club. The Bill makes clear, and removes ambiguities about, the determination of profits for the purposes of the GMT Act.

## Outline of provisions

**Clause 1** sets out the name, also called the short title, of the proposed Act.

**Clause 2** provides for the commencement of the proposed Act on the date of assent to the proposed Act.

## Schedule 1      **Amendment of Gaming Machine Tax Act 2001 No 72**

**Schedule 1** amends the GMT Act to give effect to the object set out in the Overview.

**Schedule 1[1]** substitutes the definitions of *outgoings* and *revenue from a gaming machine*, which are used in the determination of profits for the purposes of gaming machine tax, and replaces certain other related terms and definitions.

**Schedule 1[2]** makes a consequential omission.

**Schedule 1[3]** inserts a savings and transitional provision into the GMT Act to extend the operation of the amendments made by the Bill to the commencement of the GMT Act and validate past tax returns made under the GMT Act.