

1999
THE LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

(As presented)

(Treasurer)

Gaming Machine (Amendment) Bill 1999

A BILL

FOR

An Act to amend the *Gaming Machine Act 1987*

The Legislative Assembly for the Australian Capital Territory enacts as follows:

1. Short title

This Act may be cited as the *Gaming Machine (Amendment) Act*
5 1999.

2. Commencement

This Act commences on 1 July 1999.

3. Principal Act

In this Act, "Principal Act" means the *Gaming Machine Act 1987*.¹

10 **4. Interpretation**

Section 4 of the Principal Act is amended by inserting the following definitions:

“ ‘category A community contribution’ has the meaning given by subsection 60B (1);

‘category B community contribution’ has the meaning given by subsection 60B (2);

5 ‘community contribution’ means a category A community contribution or a category B community contribution;

‘community contribution shortfall’ has the meaning given by section 60H;

10 ‘community contribution shortfall tax’ means tax imposed by section 60I;

‘net revenue’, in relation to a licensee that is a club, means gross revenue derived by the licensee, less—

(a) any amount of tax payable under section 57; and

(b) 15% of the gross revenue;

15 ‘required category A community contribution’ has the meaning given by subsection 60G (1);

‘required category B community contribution’ has the meaning given by subsection 60G (1);”.

5. **Suspension and cancellation of licences—general**

20 Section 24 of the Principal Act is amended by inserting after paragraph (1) (e) the following paragraphs:

“(ea) the licensee has failed to keep proper records of community contributions in accordance with section 60C;

(eb) the licensee has failed to comply with section 60D;”.

25 6. **Insertion**

After section 25A of the Principal Act the following section is inserted:

“25B. **Suspension and cancellation of licences—community contribution shortfall tax**

30 “(1) Where community contribution shortfall tax is not paid by the due date, the commissioner may suspend the licence.

“(2) Where a licence is suspended under subsection (1), but the tax is paid—

(a) within 30 days after the due date; or

35 (b) if the commissioner allows a further period for payment under the Administration Act—within that period;

the licence comes into force again.

“(3) Where a licence is suspended under subsection (1) and the tax is not paid in accordance with subsection (2), the licence is cancelled.”.

7. Notice of reviewable decisions

Section 52 of the Principal Act is amended—

- (a) by omitting from paragraph (1) (y) “or”; and
- (b) by inserting after paragraph (1) (z) the following paragraphs:
 - “(za) refusing to approve contributions as category A community contributions under subsection 60B (1); or
 - (zb) refusing to approve contributions as category B community contributions under subsection 60B (2).”.

8. Insertion

Before section 54 of the Principal Act the following Division heading is inserted in Part 7:

“Division 1—General”.

9. Repeal

Sections 54A, 54B, 54C and 54D of the Principal Act are repealed.

10. Insertion

After section 60 of the Principal Act the following Division is inserted in Part 7:

“Division 2—Community contributions

“60A. Contributions

A reference in this Division to a contribution made by a licensee includes the value of a contribution made in kind, but does not include—

- (a) expenditure on commercial activities, or, where the licensee is a club, on the social or entertainment activities of the club for its members;
- (b) expenditure intended to promote specific activities of the licensee;
- (c) a contribution made out of donations collected by the licensee, or out of the proceeds of any special fundraising activity conducted by the licensee;
- (d) a contribution to a business association, political party or trade union;
- (e) where a contribution is made on a condition—the value to the licensee of that condition being fulfilled; or

- (f) a contribution made to another club under a reciprocal arrangement or agreement.

“60B. Approval of community contributions

“(1) Where the commissioner is satisfied that contributions made—

- 5 (a) to a specified organisation; or
(b) for a specified purpose;

will have the effect of—

- 10 (c) assisting, or improving the living standards, of low income or disadvantaged people, a substantial proportion of whom live in the Territory; or
(d) improving community welfare, in particular within the Territory;

the commissioner may approve the contributions as category A community contributions.

“(2) Where the commissioner is satisfied that contributions made—

- 15 (a) to a specified organisation; or
(b) for a specified purpose;

will have the effect of—

- (c) contributing to, developing or supporting the social fabric of the Territory or of another community; or
20 (d) assisting sport or other recreational activities, in particular within the Territory;

the commissioner may approve the contributions as category B community contributions.

“(3) An approval under subsection (1) or (2) may be made generally or in
25 a particular case.

“(4) The Minister may, by notice published in the *Gazette*, issue guidelines for approving category A or category B community contributions.

“(5) A set of guidelines issued under subsection (4) is a disallowable
30 instrument for the purposes of section 10 of the *Subordinate Laws Act 1989*.

“60C. Records of community contributions

A licensee shall keep records of each community contribution made by the licensee, specifying—

- 35 (a) whether the contribution was a category A or category B community contribution;

- (b) the organisation to whom, or the purpose for which, each contribution was made; and
- (c) the amount or value of the contribution and the date on which, or the period over which, it was made.

5 **Penalty:**

- (a) in the case of a natural person—20 penalty units;
- (b) in the case of a body corporate—100 penalty units.

“60D. Report

10 A licensee shall, within 1 month after the end of a financial year, give the commissioner a copy of the records kept under section 60C that relate to the financial year, together with a report specifying for the financial year—

- (a) the gross revenue of the licensee;
- (b) where the licensee is a club—the net revenue of the licensee;
- (c) the total value of category A community contributions; and
- 15 (d) the total value of category B community contributions.

Penalty:

- (a) in the case of a natural person—20 penalty units;
- (b) in the case of a body corporate—100 penalty units.

“60E. Commissioner must report to Minister

20 The commissioner shall, within 3 months after the end of the financial year, give the Minister a report—

- (a) summarising the extent of compliance by licensees with sections 60C and 60D for the financial year; and
- 25 (b) analysing the extent to which revenue received by licensees was being used to make community contributions during the financial year.

“60F. Minister must table commissioner’s report

30 The Minister shall cause a copy of a report given to him or her under section 60E to be laid before the Legislative Assembly within 10 sitting days after he or she receives the report.

“60G. The required community contributions

“(1) In relation to a licensee that is a club—

- (a) the required category A community contribution; and
- (b) the required category B community contribution;

are those proportions of the club's net revenue in a financial year set out in Schedule 2, or such other proportions as may be determined by the Minister under section 139 of the Administration Act.

5 “(2) Where the commissioner is satisfied, on application by a licensee that is a club, that—

- (a) the gross revenue of the club in a financial year is, or is likely to be, less than \$200,000; and
- (b) the application of subsection (1) to the club would so seriously affect its viability that it would not be just and equitable in the
10 circumstances for subsection (1) to apply to the club;

the commissioner may set required category A or category B community contributions for the club that are less than those provided under subsection (1).

“60H. Community contribution shortfall

15 The community contribution shortfall of a licensee that is a club, for a financial year, is calculated as follows:

- (a) if the total value of category A community contributions made by the club in the financial year is less than the required category A community contribution for the club—the difference is the A
20 shortfall;
- (b) if the total value of category A community contributions made by the club in the financial year is equal to or more than the required category A community contribution for the club—the difference is the A surplus (which may be nil);
- 25 (c) if the total value of category B community contributions made by the club in the financial year is less than the required category B community contribution for the club—the difference is the B shortfall;
- (d) the community contribution shortfall is—
30 (i) if there is an A shortfall—the A shortfall plus any B shortfall;
- (ii) if there is an A surplus, but there is a B shortfall that is greater than the A surplus—the B shortfall less the A surplus; or
- 35 (iii) otherwise—nil.

“60I. Community contribution shortfall tax—imposition

Subject to this Act, tax is imposed on a community contribution shortfall of a licensee that is a club at the rate of 100%.

“60J. Community contribution shortfall tax—liability

“(1) Community contribution shortfall tax shall be paid by the licensee.

“(2) Community contribution shortfall tax is due 30 days after receipt by the licensee of an assessment under the Administration Act.

5 **“60K. Community contribution shortfall tax—allocation**

Where an amount of community contribution shortfall tax is paid, the commissioner shall transfer the amount to the Community Services Grants Program fund, or to such other fund as may be prescribed.”.

11. Insertion

10 At the end of the Principal Act, the following Schedule is added:

SCHEDULE 2

Subsection 60G (1)

REQUIRED COMMUNITY CONTRIBUTIONS FOR CLUBS

Required community contributions are the proportions of a club's net revenue set out in the following table:

15

| Financial Year | Category A | Category B | Total required contribution |
|-----------------|------------|------------|-----------------------------|
| 1999-2000 | 3% | 2% | 5% |
| 2000-2001 | 4% | 2.5% | 6.5% |
| after 2000-2001 | 5% | 2.5% | 7.5% |

NOTES

Principal Act

1. Reprinted as at 1 June 1998. See also Acts Nos. 14, 23 and 54, 1998; No. 5, 1999.

Penalty units

See section 33AA of the *Interpretation Act 1967*.

Printed by Authority of the ACT Government Printer

© Australian Capital Territory 1999