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FED GOVT CREATES NEW POKIE LAWS

The Federal Government has given itself the power to tax clubs and hotels to cover the huge cost of running the bureaucracy that will oversee voluntary pre-commitment technology on poker machines.

Chapter 6 of the Federal Government's recently tabled National Gambling Reform Bill 2012 gives the Commonwealth the power to charge clubs and hotels a "supervisory levy" on each poker machine they operate.

The Federal Government has omitted any reference to the new tax from 3 media releases issued in support of the new legislation. Similarly, Andrew Wilkie, Greens Senator Richard Di Natale and Nick Xenophon have also remained silent on the new tax despite conducting dozens of interviews about the legislation over recent days.

The tabled legislation includes the following information about a poker machine tax:

- It would be applied to every poker machine in Australia.
- It would be paid quarterly to the regulator on behalf of the Federal Government.
- It would have no expiry date.
- It would have no cap. This means it can be introduced or increased at any time by the Federal Government without any change to the law.
- Its size will be set AFTER the Federal Parliament votes on the legislation
- It would be charged regardless of whether the Government's pre-commitment system is operational.
- It would not be determined by machine revenue. This means a poker machine that earns just a few dollars would be taxed the same amount as a high roller machine at a casino.
- Small clubs would be charged the same tax per machine as casinos.
- Interest would be charged on any late payments by clubs.
- The Government could tax clubs and hotels before voluntary pre-commitment starts in 2016.

Executive Director of Clubs Australia Anthony Ball said any new tax would be on top of the cost of installing voluntary pre-commitment on every poker machine in Australia.

"The Government's legislation includes giving itself the power to tax clubs and hotels to cover the cost of administering a voluntary pre-commitment system.

“This power to tax is effectively an admission that a Federal bureaucracy is going to be needed to run the voluntary pre-commitment technology.

“Australia’s 11 million club members have every right to be disappointed that the Government has not publicly raised this new taxation power despite participating in dozens of media opportunities over the past few days.

“The legislation has been written with very little detail and doesn’t reveal what the tax rate would be or when it could start.

“Members of Parliament are now being asked to vote on legislation to introduce voluntary pre-commitment without knowing if that technology comes with a new tax for every club and hotel.

“Similarly, clubs are being asked to support legislation without knowing what the full cost of that support would be or how it could increase in the future.

“This power to tax has a ‘Groundhog Day’ feel to it. Yet again the industry is being told it should have to pay for the political deal making that has gone on between the Federal Government and the Greens.

“The Government needs to be completely up front and honest regarding this new taxation power. Both the industry and members of parliament are entitled to know exactly what the Commonwealth’s plans are when it comes to levying clubs. Right now, the Government isn’t saying a word and that suggests the news isn’t good.

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