New Bill to keep Territory’s racing industry competitive

Legislation introduced to the Northern Territory Parliament will help the Territory’s corporate bookmaker industry to remain competitive with other jurisdictions.

Treasurer Delia Lawrie today introduced the Racing and Betting Amendment Bill 2009 which aims to reform the Territory’s bookmakers’ turnover tax regime.

“The corporate bookmakers are a significant employer in the Territory, employing more than 250 people and contributing about $10.5 million in revenue last year,” Ms Lawrie said.

“However, significant changes to the taxation, fee and regulatory regimes in other jurisdictions, including most recently in Tasmania, is threatening the competitiveness of the industry in the Territory.

“The potential of bookmakers leaving the Territory is a major concern for the Henderson Government as it would cost valuable jobs, support to the local racing industry and revenue.

“That’s why after careful consideration and in order to preserve an industry presence in the Territory, the Government is proposing to reform the bookmakers’ turnover tax regime so that it remains competitive with other states.”

The Bill proposes to introduce a new profits-based taxation scheme starting on 1 January 2010 that requires bookmakers to pay 10 per cent of their monthly gross profits, capped at $250 000 per financial year.

The cap will be $125 000 for the remaining six months of the 2009-10 financial year.

“While these measures will reduce tax revenue, on balance, inaction would have seen many corporate bookmakers leaving the Territory, costing jobs and would have severely impacted the local racing industry,” Ms Lawrie said.

“I believe these proposed changes will ensure that the Territory’s racing and bookmaking sector remains competitive and continues to be a viable industry.”

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