

BETTING TAX BILL 2018

EXPLANATORY MEMORANDUM

The Betting Tax Bill 2018 and Betting Tax Assessment Bill 2018 together provide for a point of consumption betting tax regime to replace the current wagering tax scheme. Separate Bills are required to satisfy subsection 46(7) of the *Constitution Acts Amendment Act 1899* which requires Bills imposing taxation to deal only with the imposition of taxation.

The Betting Tax Bill 2018 complements the Betting Tax Assessment Bill 2018 by imposing a betting tax rate of 15 per cent.

The Betting Tax Assessment Bill 2018 contains substantive provisions relating to the assessment and collection of tax on taxable betting revenue.

Betting tax will apply to betting operators that are licenced or authorised under a law of a State, Territory or the Commonwealth, or those that are exempt from being licenced or authorised, that accept bets from customers located in Western Australia.

Clause 1: Short title

This clause states that the short title of this Act is the *Betting Tax Act 2018*.

Clause 2: Commencement

This clause states that sections 1 and 2 of the Act commence once the Act receives Royal Assent.

The rest of the Act will commence on 1 January 2019, the same commencement date as the *Betting Tax Assessment Act 2018*.

The same commencement date for both Acts is necessary to facilitate the imposition, assessment and collection of betting tax.

Clause 3: Relationship with other Acts

This clause provides this Act is read with the *Betting Tax Assessment Act 2018* and the *Taxation Administration Act 2003* as if they constitute a single Act. It also provides that a term in this Act has the same meaning as the same term in the Taxation Administration Act, unless the contrary intention appears in this Act.

This clause ensures the administrative and enforcement provisions in the Taxation Administration Act apply consistently across State taxation legislation.

Clause 4: Imposition of betting tax

This clause imposes a betting tax rate of 15 per cent, payable by each betting operator who becomes liable to pay betting tax.