

FIRST PRINT

**BOOKMAKERS (TAXATION) (BET BACK) AMENDMENT
BILL 1993**

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The Racing Taxation (Betting Tax) Act 1952 provides that bookmakers are to be taxed (currently at the rate of 1%) on the total amount of bets they accept.

Bookmakers who wish to offset the possibility of being liable for a large payout on, for example, a particular contestant in a race may place bets on that contestant with another bookmaker (or on the Totalizator). To do so, they use some of the money they have taken in bets on that contestant. This practice is known as "betting back".

A bet that is bet back attracts the payment of tax at least twice (firstly on the initial bet and secondly on the bet back). If the bet back is the subject of further bets back, the tax is paid each time a bet is made.

The object of this Bill is to provide for a rebate of the tax payable on a bet if the bet is bet back.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides that the proposed Act is to commence on a day to be appointed by proclamation.

Clause 3 gives effect to the Schedule of amendments to the Bookmakers (Taxation) Act 1917.

Schedule 1 amends the Bookmakers (Taxation) Act 1917 in the following ways:

- it inserts a definition of "bet back"
- it permits bookmakers to claim the rebate concerned
- it specifies the criteria that must be met before the rebate can be granted
- it makes consequential amendments.

Bookmakers (Taxation) (Bet Back) Amendment 1993

The criteria to be met include the recording of the bet back in the prescribed written records of both the bookmaker making the bet back and the bookmaker accepting it. Amounts claimed as having been wagered in bets back must not exceed the amount of the related bets taken. The claim must be lodged in the prescribed form and supported by a declaration verifying the correctness and accuracy of the matters included in the claim.

FIRST PRINT

**BOOKMAKERS (TAXATION) (BET BACK) AMENDMENT
BILL 1993**

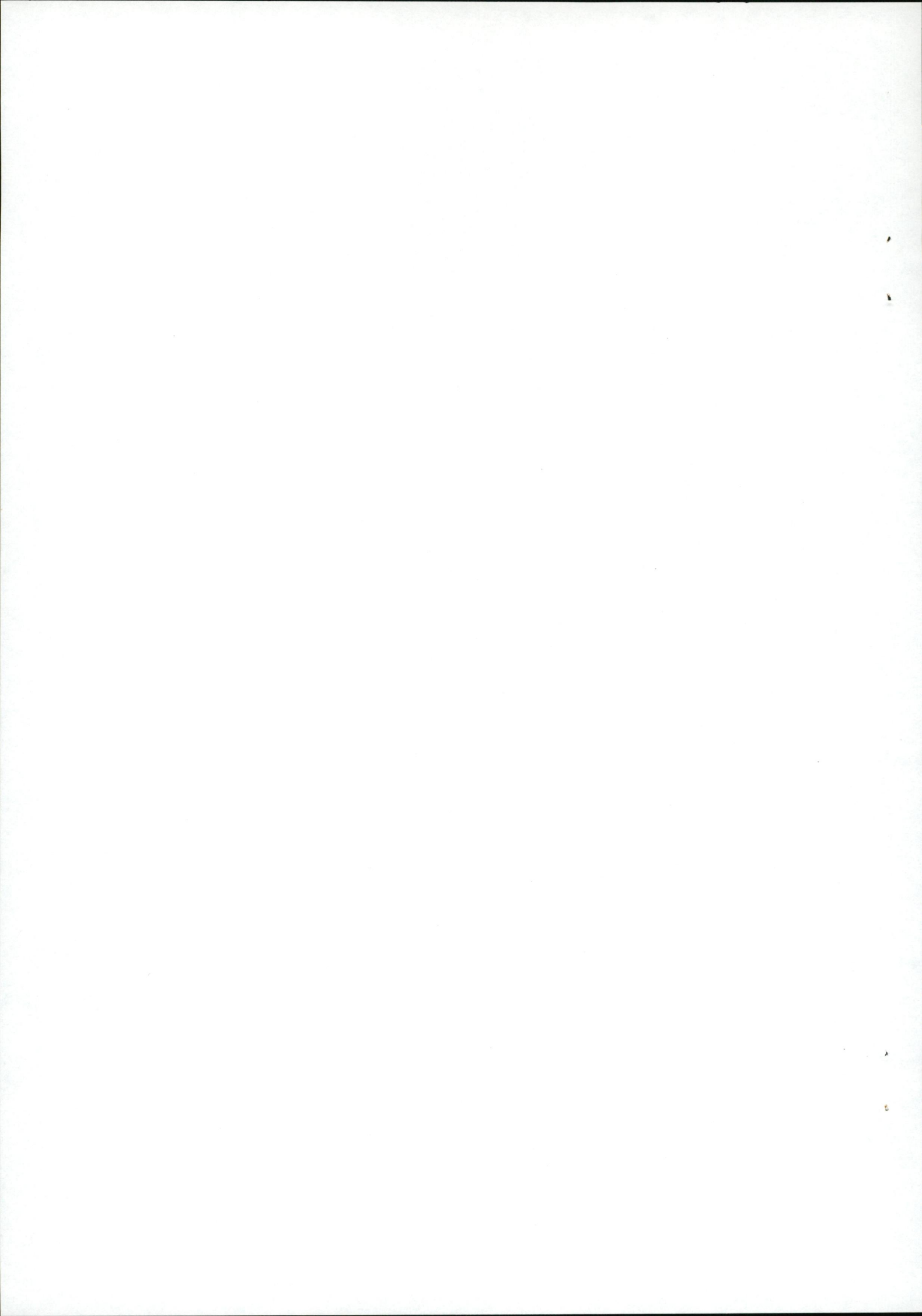
NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
2. Commencement
3. Amendment of Bookmakers (Taxation) Act 1917 No. 15

SCHEDULE 1—AMENDMENTS



**BOOKMAKERS (TAXATION) (BET BACK) AMENDMENT
BILL 1993**

NEW SOUTH WALES



No. , 1993

A BILL FOR

An Act to amend the Bookmakers (Taxation) Act 1917 to provide for the rebate, in certain circumstances, of certain taxes payable by bookmakers; and for other purposes.

Bookmakers (Taxation) (Bet Back) Amendment 1993

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Bookmakers (Taxation) (Bet Back) Amendment Act 1993.

5 Commencement

2. This Act commences on a day to be appointed by proclamation.

Amendment of Bookmakers (Taxation) Act 1917 No. 15

3. The Bookmakers (Taxation) Act 1917 is amended as set out in Schedule 1.

10

SCHEDULE 1—AMENDMENTS

(Sec. 3)

(1) Section 11 (**Definitions**):

Insert in alphabetical order:

15

“**Bet back**” means a bet, or an investment on a totalizator, by a bookmaker that is the same as a bet previously made with the bookmaker (or is the same except that the amount of the bookmaker’s bet or investment is different from the amount of the bet made with the bookmaker, or that the odds given to the bookmaker are different from the odds given by the bookmaker).

20

(2) Sections 12A, 12B:

After section 12, insert:

Rebate of tax for bet back

25

12A. (1) A bookmaker may claim a rebate of so much of the tax imposed by the Racing Taxation (Betting Tax) Act 1952 on the total amount of bets made with the bookmaker as relates to the total amount of bets back made by the bookmaker.

30

(2) The Minister must, subject to section 12B, grant or refuse the claim (or grant part of the claim and refuse part of the claim).

Bookmakers (Taxation) (Bet Back) Amendment 1993

SCHEDULE 1—AMENDMENTS—*continued*

(3) Any refusal must be notified to the claimant within 2 months after the claim is lodged.

(4) Section 12 does not apply to so much of the tax as is claimed by way of a rebate under this section. 5

(5) However, if any part of the claim is refused, section 12 applies to so much of the tax as relates to the part of the claim that was refused, and it applies as if the time referred to in section 12 (2) were the period of 7 days after the claimant is notified of the refusal. 10

(6) A person authorised in writing by the Minister for the purposes of this section may exercise the Minister's functions under this section.

(7) This section does not apply to bets back made before the commencement of this section. 15

Criteria for rebate

12B. (1) A claim under section 12A is to be granted if, and only if, each of the following conditions is met:

- (a) the total amount of bets back to which the claim refers does not exceed the total amount of related bets made with the bookmaker; 20
- (b) the claim is made in the form prescribed by the regulations and the correctness and accuracy of the matters included in the claim are verified by a declaration of the bookmaker; 25
- (c) the claim is lodged with the original sheet of the prescribed written record and declaration required by section 13 (2) (a);
- (d) each investment on the totalizator by way of a bet back to which the claim refers was made by way of an account established with the totalizator in the name of the bookmaker who made the bet back; 30
- (e) each bet back to which the claim refers that was made with another bookmaker is recorded in the prescribed written record of the bookmaker with whom it was made; 35
- (f) each bet back to which the claim refers is recorded in the prescribed written record of the bookmaker who made it.

Bookmakers (Taxation) (Bet Back) Amendment 1993

SCHEDULE 1—AMENDMENTS—*continued*

(2) In this section, “**prescribed written record**” means the prescribed written record referred to in section 13.

(3) Section 13 (**Bookmakers to keep records**):

- 5 (a) From section 13 (1), omit “every bet made with him”, insert instead “every bet made with the bookmaker and every bet back made by the bookmaker”.
- 10 (b) From section 13 (1), omit “bets so entered are made with him”, insert instead “bets or bets back so entered are made with or by the bookmaker”.

(4) Section 14 (**Inspection of records**):

From section 14 (1), omit “a bet made with such bookmaker”, insert instead “a bet made with, or a bet back made by, such bookmaker”.

15 (5) Section 15 (**Offences**):

In section 15 (b), before “section 13”, insert “section 12B or by”.

**BOOKMAKERS (TAXATION) (BET BACK) AMENDMENT
ACT 1993 No. 76**

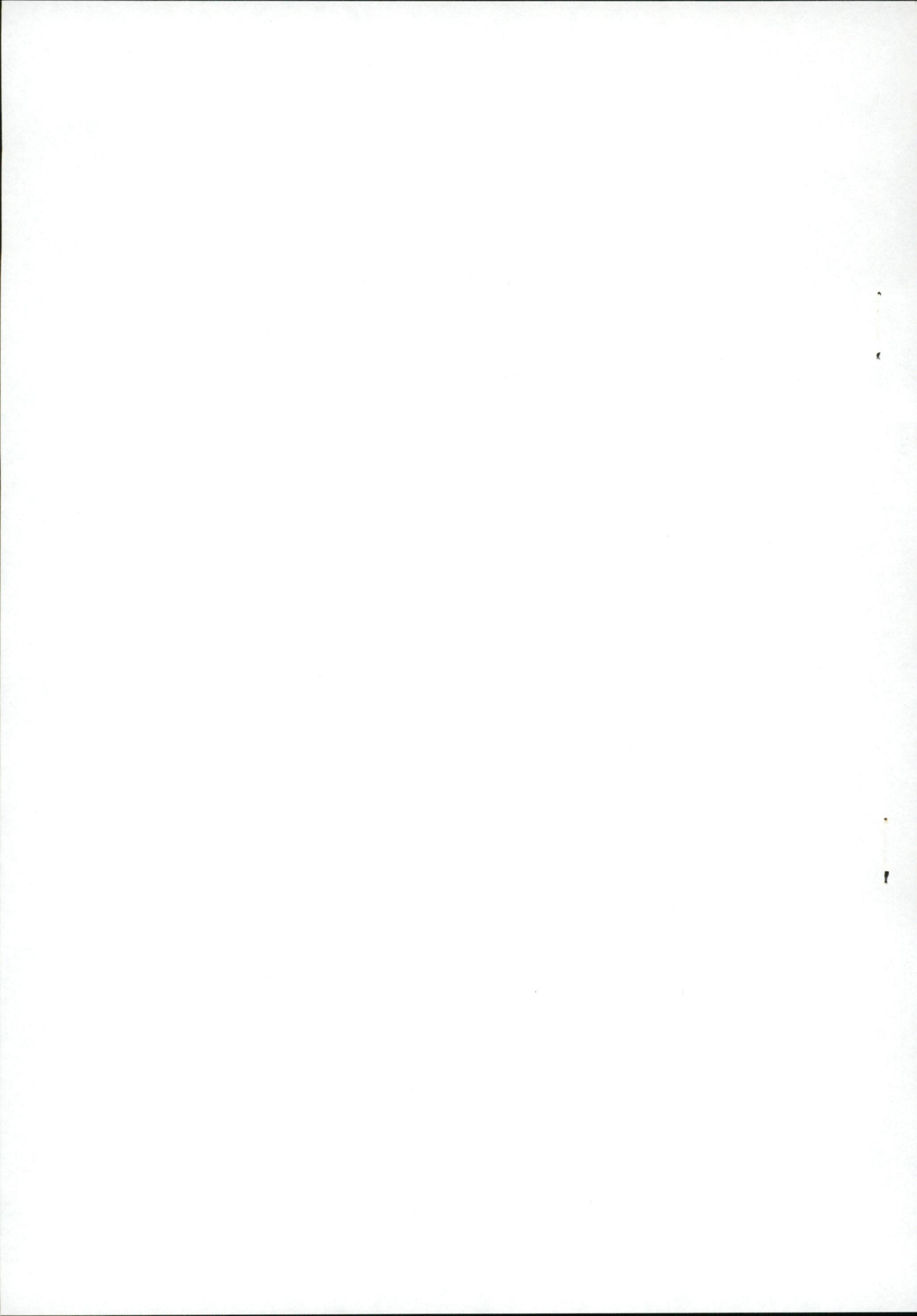
NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
2. Commencement
3. Amendment of Bookmakers (Taxation) Act 1917 No. 15

SCHEDULE 1—AMENDMENTS



**BOOKMAKERS (TAXATION) (BET BACK) AMENDMENT
ACT 1993 No. 76**

NEW SOUTH WALES



Act No. 76, 1993

An Act to amend the Bookmakers (Taxation) Act 1917 to provide for the rebate, in certain circumstances, of certain taxes payable by bookmakers; and for other purposes. [Assented to 22 November 1993]

Bookmakers (Taxation) (Bet Back) Amendment Act 1993 No. 76

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Bookmakers (Taxation) (Bet Back) Amendment Act 1993.

Commencement

2. This Act commences on a day to be appointed by proclamation.

Amendment of Bookmakers (Taxation) Act 1917 No. 15

3. The Bookmakers (Taxation) Act 1917 is amended as set out in Schedule 1.

SCHEDULE 1—AMENDMENTS

(Sec. 3)

(1) Section 11 (**Definitions**):

Insert in alphabetical order:

“Bet back” means a bet, or an investment on a totalizator, by a bookmaker that is the same as a bet previously made with the bookmaker (or is the same except that the amount of the bookmaker’s bet or investment is different from the amount of the bet made with the bookmaker, or that the odds given to the bookmaker are different from the odds given by the bookmaker).

(2) Sections 12A, 12B:

After section 12, insert:

Rebate of tax for bet back

12A. (1) A bookmaker may claim a rebate of so much of the tax imposed by the Racing Taxation (Betting Tax) Act 1952 on the total amount of bets made with the bookmaker as relates to the total amount of bets back made by the bookmaker.

(2) The Minister must, subject to section 12B, grant or refuse the claim (or grant part of the claim and refuse part of the claim).

SCHEDULE 1—AMENDMENTS—*continued*

(3) Any refusal must be notified to the claimant within 2 months after the claim is lodged.

(4) Section 12 does not apply to so much of the tax as is claimed by way of a rebate under this section.

(5) However, if any part of the claim is refused, section 12 applies to so much of the tax as relates to the part of the claim that was refused, and it applies as if the time referred to in section 12 (2) were the period of 7 days after the claimant is notified of the refusal.

(6) A person authorised in writing by the Minister for the purposes of this section may exercise the Minister's functions under this section.

(7) This section does not apply to bets back made before the commencement of this section.

Criteria for rebate

12B. (1) A claim under section 12A is to be granted if, and only if, each of the following conditions is met:

- (a) the total amount of bets back to which the claim refers does not exceed the total amount of related bets made with the bookmaker;
- (b) the claim is made in the form prescribed by the regulations and the correctness and accuracy of the matters included in the claim are verified by a declaration of the bookmaker;
- (c) the claim is lodged with the original sheet of the prescribed written record and declaration required by section 13 (2) (a);
- (d) each investment on the totalizator by way of a bet back to which the claim refers was made by way of an account established with the totalizator in the name of the bookmaker who made the bet back;
- (e) each bet back to which the claim refers that was made with another bookmaker is recorded in the prescribed written record of the bookmaker with whom it was made;
- (f) each bet back to which the claim refers is recorded in the prescribed written record of the bookmaker who made it.

SCHEDULE 1—AMENDMENTS—*continued*

(2) In this section, “**prescribed written record**” means the prescribed written record referred to in section 13.

(3) Section 13 (**Bookmakers to keep records**):

- (a) From section 13 (1), omit “every bet made with him”, insert instead “every bet made with the bookmaker and every bet back made by the bookmaker”.
- (b) From section 13 (1), omit “bets so entered are made with him”, insert instead “bets or bets back so entered are made with or by the bookmaker,”.

(4) Section 14 (**Inspection of records**):

From section 14 (1), omit “a bet made with such bookmaker”, insert instead “a bet made with, or a bet back made by, such bookmaker”.

(5) Section 15 (**Offences**):

In section 15 (b), before “section 13”, insert “section 12B or by”.

[*Minister's second reading speech made in—
Legislative Assembly on 27 October 1993
Legislative Council on 11 November 1993*]

FIRST PRINT

**BOOKMAKERS (TAXATION) (BET BACK) AMENDMENT
BILL 1993**

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The Racing Taxation (Betting Tax) Act 1952 provides that bookmakers are to be taxed (currently at the rate of 1%) on the total amount of bets they accept.

Bookmakers who wish to offset the possibility of being liable for a large payout on, for example, a particular contestant in a race may place bets on that contestant with another bookmaker (or on the Totalizator). To do so, they use some of the money they have taken in bets on that contestant. This practice is known as "betting back".

A bet that is bet back attracts the payment of tax at least twice (firstly on the initial bet and secondly on the bet back). If the bet back is the subject of further bets back, the tax is paid each time a bet is made.

The object of this Bill is to provide for a rebate of the tax payable on a bet if the bet is bet back.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides that the proposed Act is to commence on a day to be appointed by proclamation.

Clause 3 gives effect to the Schedule of amendments to the Bookmakers (Taxation) Act 1917.

Schedule 1 amends the Bookmakers (Taxation) Act 1917 in the following ways:

- it inserts a definition of "bet back"
- it permits bookmakers to claim the rebate concerned
- it specifies the criteria that must be met before the rebate can be granted
- it makes consequential amendments.

Bookmakers (Taxation) (Bet Back) Amendment 1993

The criteria to be met include the recording of the bet back in the prescribed written records of both the bookmaker making the bet back and the bookmaker accepting it. Amounts claimed as having been wagered in bets back must not exceed the amount of the related bets taken. The claim must be lodged in the prescribed form and supported by a declaration verifying the correctness and accuracy of the matters included in the claim.

FIRST PRINT

**BOOKMAKERS (TAXATION) (BET BACK) AMENDMENT
BILL 1993**

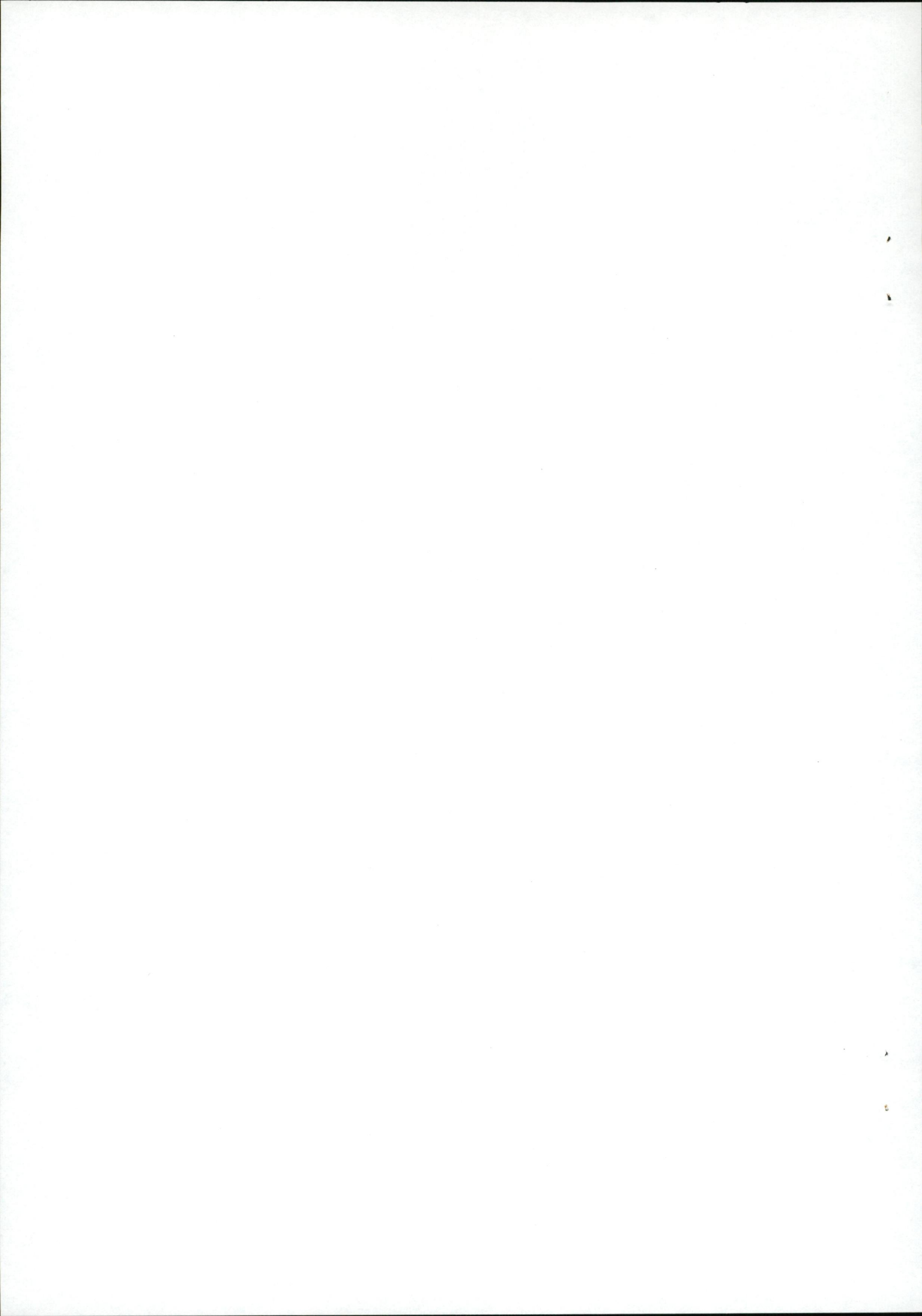
NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
2. Commencement
3. Amendment of Bookmakers (Taxation) Act 1917 No. 15

SCHEDULE 1—AMENDMENTS



**BOOKMAKERS (TAXATION) (BET BACK) AMENDMENT
BILL 1993**

NEW SOUTH WALES



No. , 1993

A BILL FOR

An Act to amend the Bookmakers (Taxation) Act 1917 to provide for the rebate, in certain circumstances, of certain taxes payable by bookmakers; and for other purposes.

Bookmakers (Taxation) (Bet Back) Amendment 1993

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Bookmakers (Taxation) (Bet Back) Amendment Act 1993.

5 Commencement

2. This Act commences on a day to be appointed by proclamation.

Amendment of Bookmakers (Taxation) Act 1917 No. 15

3. The Bookmakers (Taxation) Act 1917 is amended as set out in Schedule 1.

10

SCHEDULE 1—AMENDMENTS

(Sec. 3)

(1) Section 11 (**Definitions**):

Insert in alphabetical order:

15

“**Bet back**” means a bet, or an investment on a totalizator, by a bookmaker that is the same as a bet previously made with the bookmaker (or is the same except that the amount of the bookmaker’s bet or investment is different from the amount of the bet made with the bookmaker, or that the odds given to the bookmaker are different from the odds given by the bookmaker).

20

(2) Sections 12A, 12B:

After section 12, insert:

Rebate of tax for bet back

25

12A. (1) A bookmaker may claim a rebate of so much of the tax imposed by the Racing Taxation (Betting Tax) Act 1952 on the total amount of bets made with the bookmaker as relates to the total amount of bets back made by the bookmaker.

30

(2) The Minister must, subject to section 12B, grant or refuse the claim (or grant part of the claim and refuse part of the claim).

Bookmakers (Taxation) (Bet Back) Amendment 1993

SCHEDULE 1—AMENDMENTS—*continued*

(3) Any refusal must be notified to the claimant within 2 months after the claim is lodged.

(4) Section 12 does not apply to so much of the tax as is claimed by way of a rebate under this section. 5

(5) However, if any part of the claim is refused, section 12 applies to so much of the tax as relates to the part of the claim that was refused, and it applies as if the time referred to in section 12 (2) were the period of 7 days after the claimant is notified of the refusal. 10

(6) A person authorised in writing by the Minister for the purposes of this section may exercise the Minister's functions under this section.

(7) This section does not apply to bets back made before the commencement of this section. 15

Criteria for rebate

12B. (1) A claim under section 12A is to be granted if, and only if, each of the following conditions is met:

- (a) the total amount of bets back to which the claim refers does not exceed the total amount of related bets made with the bookmaker; 20
- (b) the claim is made in the form prescribed by the regulations and the correctness and accuracy of the matters included in the claim are verified by a declaration of the bookmaker; 25
- (c) the claim is lodged with the original sheet of the prescribed written record and declaration required by section 13 (2) (a);
- (d) each investment on the totalizator by way of a bet back to which the claim refers was made by way of an account established with the totalizator in the name of the bookmaker who made the bet back; 30
- (e) each bet back to which the claim refers that was made with another bookmaker is recorded in the prescribed written record of the bookmaker with whom it was made; 35
- (f) each bet back to which the claim refers is recorded in the prescribed written record of the bookmaker who made it.

Bookmakers (Taxation) (Bet Back) Amendment 1993

SCHEDULE 1—AMENDMENTS—*continued*

(2) In this section, “**prescribed written record**” means the prescribed written record referred to in section 13.

(3) Section 13 (**Bookmakers to keep records**):

- 5 (a) From section 13 (1), omit “every bet made with him”, insert instead “every bet made with the bookmaker and every bet back made by the bookmaker”.
- 10 (b) From section 13 (1), omit “bets so entered are made with him”, insert instead “bets or bets back so entered are made with or by the bookmaker,”.

(4) Section 14 (**Inspection of records**):

From section 14 (1), omit “a bet made with such bookmaker”, insert instead “a bet made with, or a bet back made by, such bookmaker”.

15 (5) Section 15 (**Offences**):

In section 15 (b), before “section 13”, insert “section 12B or by”.

**BOOKMAKERS (TAXATION) (BET BACK) AMENDMENT
ACT 1993 No. 76**

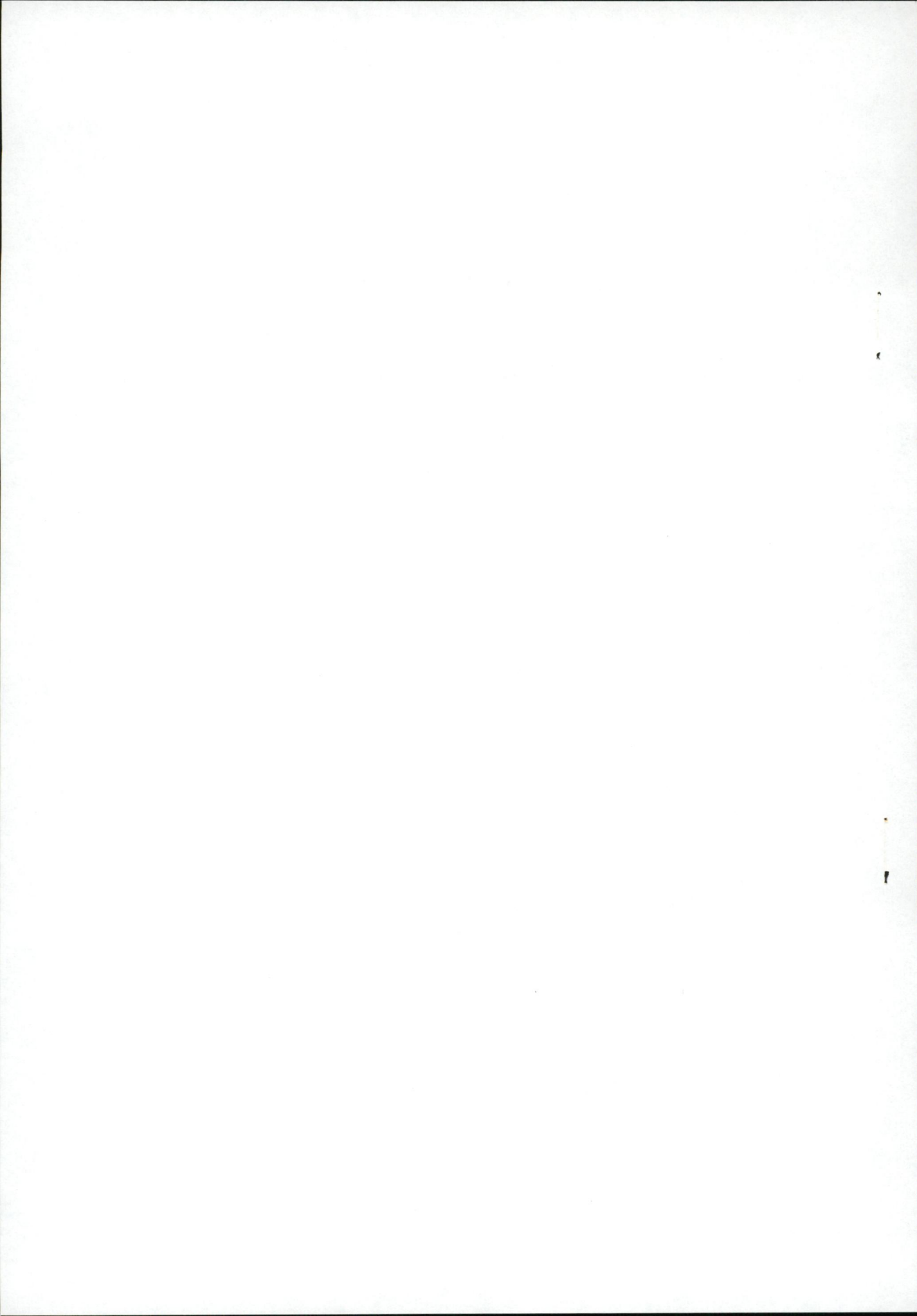
NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
2. Commencement
3. Amendment of Bookmakers (Taxation) Act 1917 No. 15

SCHEDULE 1—AMENDMENTS



**BOOKMAKERS (TAXATION) (BET BACK) AMENDMENT
ACT 1993 No. 76**

NEW SOUTH WALES



Act No. 76, 1993

An Act to amend the Bookmakers (Taxation) Act 1917 to provide for the rebate, in certain circumstances, of certain taxes payable by bookmakers; and for other purposes. [Assented to 22 November 1993]

Bookmakers (Taxation) (Bet Back) Amendment Act 1993 No. 76

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Bookmakers (Taxation) (Bet Back) Amendment Act 1993.

Commencement

2. This Act commences on a day to be appointed by proclamation.

Amendment of Bookmakers (Taxation) Act 1917 No. 15

3. The Bookmakers (Taxation) Act 1917 is amended as set out in Schedule 1.

SCHEDULE 1—AMENDMENTS

(Sec. 3)

(1) Section 11 (**Definitions**):

Insert in alphabetical order:

“Bet back” means a bet, or an investment on a totalizator, by a bookmaker that is the same as a bet previously made with the bookmaker (or is the same except that the amount of the bookmaker’s bet or investment is different from the amount of the bet made with the bookmaker, or that the odds given to the bookmaker are different from the odds given by the bookmaker).

(2) Sections 12A, 12B:

After section 12, insert:

Rebate of tax for bet back

12A. (1) A bookmaker may claim a rebate of so much of the tax imposed by the Racing Taxation (Betting Tax) Act 1952 on the total amount of bets made with the bookmaker as relates to the total amount of bets back made by the bookmaker.

(2) The Minister must, subject to section 12B, grant or refuse the claim (or grant part of the claim and refuse part of the claim).

SCHEDULE 1—AMENDMENTS—*continued*

(3) Any refusal must be notified to the claimant within 2 months after the claim is lodged.

(4) Section 12 does not apply to so much of the tax as is claimed by way of a rebate under this section.

(5) However, if any part of the claim is refused, section 12 applies to so much of the tax as relates to the part of the claim that was refused, and it applies as if the time referred to in section 12 (2) were the period of 7 days after the claimant is notified of the refusal.

(6) A person authorised in writing by the Minister for the purposes of this section may exercise the Minister's functions under this section.

(7) This section does not apply to bets back made before the commencement of this section.

Criteria for rebate

12B. (1) A claim under section 12A is to be granted if, and only if, each of the following conditions is met:

- (a) the total amount of bets back to which the claim refers does not exceed the total amount of related bets made with the bookmaker;
- (b) the claim is made in the form prescribed by the regulations and the correctness and accuracy of the matters included in the claim are verified by a declaration of the bookmaker;
- (c) the claim is lodged with the original sheet of the prescribed written record and declaration required by section 13 (2) (a);
- (d) each investment on the totalizator by way of a bet back to which the claim refers was made by way of an account established with the totalizator in the name of the bookmaker who made the bet back;
- (e) each bet back to which the claim refers that was made with another bookmaker is recorded in the prescribed written record of the bookmaker with whom it was made;
- (f) each bet back to which the claim refers is recorded in the prescribed written record of the bookmaker who made it.

SCHEDULE 1—AMENDMENTS—*continued*

(2) In this section, “**prescribed written record**” means the prescribed written record referred to in section 13.

(3) Section 13 (**Bookmakers to keep records**):

- (a) From section 13 (1), omit “every bet made with him”, insert instead “every bet made with the bookmaker and every bet back made by the bookmaker”.
- (b) From section 13 (1), omit “bets so entered are made with him”, insert instead “bets or bets back so entered are made with or by the bookmaker,”.

(4) Section 14 (**Inspection of records**):

From section 14 (1), omit “a bet made with such bookmaker”, insert instead “a bet made with, or a bet back made by, such bookmaker”.

(5) Section 15 (**Offences**):

In section 15 (b), before “section 13”, insert “section 12B or by”.

[*Minister's second reading speech made in—
Legislative Assembly on 27 October 1993
Legislative Council on 11 November 1993*]