



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Election Costing Request Form

| Details of request | |
|--------------------|---|
| Party: | Australian Labor Party (NSW Branch) |
| Name of Policy: | Racing Industry Tax Reform – cut tax rates by 60 per cent from 1 January 2016 |
| Date of request: | 7 January 2014 |

| Description of policy | |
|--|---|
| Summary of policy (please attach copies of relevant policy documents): | Reduce tax from \$3.22 to \$1.28 on every \$100 of tote bets and from \$1.56 to \$0.63 on every \$100 fixed-odds wagers with the TAB. |
| What is the purpose or intention of the policy? | The policy is intended to sustain an important industry, supporting over 27,000 racing jobs, and boost regional and rural economies. |
| Has the policy been publicly released yet? | |

| Your estimated costing of the policy ¹ | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|----------------------|------------------------------------|
| | 2014/15 \$'000 | 2015/16 \$'000 | 2016/17 \$'000 | 2017/18 \$'000 | 4 Yr Total \$'000 | Other years ² \$'000 |
| Impact on General Government Sector (GGS) net operating result ³ | | | | | | |
| Impact on GGS capital expenditure ⁴ | | | | | | |
| If different from above, impact on total State Sector net financial liabilities ⁵ | | | | | | |

¹ Amounts should be expressed in nominal dollars. GGS - General Government Sector.

² Please provide information on other years if spending occurs outside the forward estimate years and will be required to cost the policy.

³ Negative for a saving that reduces expenditure

⁴ Negative for a reduction in capital expenditure.

⁵ Only required if proposal is outside GGS. Negative for a reduction in net financial liabilities.

| Key assumptions made in the policy | |
|--|---|
| Does the policy relate to a previous announcement? If yes, which announcement? | No. |
| What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i> | Racing revenue forward estimates (\$162 m in 2015-16) are taken from NSW 2014-15 Budget, Paper No 2, Table 6.5. Policy includes fixed odds sports betting. |
| Is there a range for the costing or any sensitivity analysis that you have undertaken? | No. |
| Are there associated savings, offsets or expenses? If yes, please provide details. | .. |

| Administration of policy | |
|---|---|
| Intended date of implementation: | 1 January 2016. |
| Intended duration of policy: | Ongoing. |
| Who will administer the policy (e.g. Government entity, non-government organisation, etc.)? | NSW Trade & Investment: Office of Liquor, Gaming & Racing; NSW Office of State Revenue. |
| Are there any specific administrative arrangements for the policy that need to be taken into account? | Consistent with existing arrangements. |
| Are there transitional arrangements associated with policy implementation? | No. |

| If the policy is mainly a revenue commitment | |
|---|--|
| Transaction based or capped: | Consistent with existing arrangements. |
| Thresholds and/or exemptions: | .. |
| Collection method: | .. |
| Additional expenditure associated with collection: | Absorb such costs within agency's existing resourcing. |