

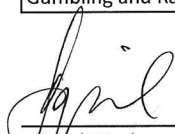
2016 Policy Commitment – ACT Labor

Name of Commitment:	Supporting our local community clubs	Reference Number: LAB010
Request Submitted by:	Andrew Barr MLA, ACT Labor	
Date Request Received:	22-Sep-16	
Additional Information Requested (details and date)	Clarification sought regarding 2019-20 revenue impact and total anticipated revenue; 28-Sep-16	
Additional Information Received (details and date)	Revenue impact for 2019-20 confirmed as -\$1.1 million; 28-Sep-16	

Financial Implications					
Impact On:	2016-17	2017-18	2018-19	2019-20	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues ^(a)	0.0	-1,100.0	-1,100.0	-1,100.0	-3,300.0
- Other Revenue	0.0	0.0	0.0	0.0	0.0
- Revenue Forgone	0.0	-1,100.0	-1,100.0	-1,100.0	-3,300.0
Expenses ^{(a) (b)}	0.0	0.0	0.0	0.0	0.0
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	0.0	0.0	0.0	0.0	0.0
- Cost of Financing	0.0	0.0	0.0	0.0	0.0
Expenses - Depreciation	0.0	0.0	0.0	0.0	0.0
Net Operating Balance	0.0	-1,100.0	-1,100.0	-1,100.0	-3,300.0
Capital Requirement	0.0	0.0	0.0	0.0	0.0
Cash Surplus/Deficit	0.0	-1,100.0	-1,100.0	-1,100.0	-3,300.0

(a) A negative number indicates a decrease in revenue or an increase in expenses.
(b) Excludes depreciation expenses.

Other Information
Costing Methodology Used:
- Costing Technique:
<ul style="list-style-type: none"> • Provide a yearly Community Club Grant (CCG) of \$10,000 to every small and medium sized club. • Introduce a yearly 50 per cent tax rebate for small and medium sized clubs. • Small and medium sized clubs are defined as individual clubs with a 2014-15 annual gross gaming machine revenue of \$4 million or less that are not part of a club group. There are 23 clubs that fit this category. • Individual clubs that are part of a group with total Gross Gaming Machine Revenue (GGMR) of greater than \$4 million will not be eligible for any part of the rebate or grant. • Club groups are: the Labor Club, Southern Cross Group, Vikings Group, Ainslie Group, Eastlake Group, Magpies Group, Raiders Group, Belconnen Soccer Club, Hellenic Club, the ACT Rugby Union Club (the RUC) and the Canberra/Woden Tradesmen's Clubs. • The commitment will commence on 1 July 2017. • Eligibility for the rebate and grant in each year is based on 2014-15 GGMR. Treasury estimates 23 clubs will be eligible. The tax amounts for each club calculated in this costing, including the 50 per cent rebate, are based on estimated GGMR in each year. • This costing uses individual club data and assumes the groups do not change over time.
- Proposal Parameters:
<ul style="list-style-type: none"> • Actual GGMR for each club is held constant from 2014-15 to 2015-16, consistent with gaming tax revenue in the 2016-17 ACT Budget, then indexed by 2.5 per cent to estimate GGMR for each of the outyears. It is assumed that all clubs grow at the same rate.
Caveats or qualifications to the costing:
<ul style="list-style-type: none"> • This costing has included the total impact of the tax rebate and CCG as a reduction in revenue. For clubs with an annual tax liability of less than \$10,000, the CCG will have to be delivered as either a partial or full grant which will be recorded as an expense.
Other Comments:
N/A
- Statistical Data Used:
<ul style="list-style-type: none"> • Treasury estimates based on data from the 2014-15 Community Contributions Report produced by the ACT Gambling and Racing Commission.



 David Nicol
 Under Treasurer
 4 October 2016