

Request for Costing an Election Commitment

Name of policy proposal:	Supporting our local community clubs.
Person requesting costing:	Andrew Barr MLA, ACT Labor
Date of request:	22/09/2016
Summary of proposal:	From 1 July 2017, small to medium clubs will receive a 50 percent rebate of their gaming tax liability plus \$10,000.
Issue the proposal will address:	To provide relief for small and medium clubs..

What are the key assumptions that have been made in the proposal?

Note: The costing will be developed on the basis of information and assumptions provided in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

- Clubs and club groups with GGMR of less than \$4 million will receive a rebate of \$10,000 and 50 percent of their gaming tax.
- For the purpose of this costing, clubs are grouped as follows: the Southern cross group, Labor club, Vikings group, Ainslie group, Eastlake group, Magpies group, Raiders group, Belconnen soccer club, Hellenic club, the RUC, and the Canberra/Woden Tradesmen clubs.
- It is assumed that eligible clubs with a tax liability less than \$10,000 will receive the \$10,000 as a grant.
- Eligibility for the rebate each year is based on 2014-15 GGMR being less than \$4 million. The tax amounts for each club are based on estimated GGMR in each year.
- The formal costing of the scheme is to 2019-20 – the end of the current forward estimates – but is ongoing.

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this proposal and estimated costs each year (if available)?

	2016-17	2017-18	2018-19	2019-20	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue ^(a)		-1,100	-1,100	-1,000	\$3,300
Expenses ^(a)					
Capital					
Depreciation					

(a) A negative number indicates a decrease in revenue or an increase in expenses. The expenses row does not include depreciation costs.

Has any specific information or data been utilised in generating the proposal?

GGMR revenue data for clubs.

Where relevant, is funding for the proposal to be demand driven or a capped amount?

Demand driven.

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any

existing Commonwealth/State or Territory funding arrangements (for example, does an education proposal add to or redirect NERA funding).
N/A
Will funding/the cost require indexation?
No.
Who will administer the proposal?
Access Canberra.
How will the proposal be administered?
Through the clubs existing taxation mechanism.
Is the proposal part of a broader package?
No.
Has an allowance been made for expenses necessary to support the implementation of this proposal? <ul style="list-style-type: none"> – If no, will the government agency be expected to absorb expenses associated with this proposal? – If yes, please specify the key assumptions.
No – to be absorbed.
Will the proposal generate savings or offsets?
No.
Has the proposal been previously costed by an external (third) party? Will a copy of this material, including any assumptions, be made available to Treasury?
No.
What are the community impacts associated with the proposal? Who and how many people will be affected?
Community clubs will have lower tax obligations.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
No.
What is the intended implementation date of the proposal?
1 July 2017.
When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc?
1 July 2017.
Will the proposal cease, and if so, when?
Ongoing.
Is there any additional information relevant to this proposal?
N/A.