

Thursday, 25 February 2021

## FEEDBACK SOUGHT FOR POINT OF CONSUMPTION TAX REVIEW

The NSW Government has called for public feedback to inform a Review into the Point of Consumption (PoC) tax.

The Government on 1 January 2019 introduced a PoC tax under which all Australian-based wagering operators pay a tax of 10 per cent on net wagering revenue generated from all wagering and betting activity of NSW residents.

A tax-free threshold of \$1 million per year applies for all operators. As part of its implementation, the Government committed to a review of all aspects of the tax after 18 months of operation.

The tax was implemented to ensure that all wagers placed by people in NSW would be taxable, regardless of where the wagering operator is located.

This closed a loophole in NSW wagering tax laws where, under the pre-existing tax system, tax was only levied on betting at the point of sale with the NSW totalisator licensee (TAB Limited) and therefore did not capture most online wagering.

The Government recognised the economic, cultural and sporting importance of the NSW racing industry and ensured the industry was not negatively impacted as a result of the tax by affording additional funding of 2 per cent of all net wagering revenue in New South Wales, similar to Victoria.

A consultation paper is available at [www.treasury.nsw.gov.au](http://www.treasury.nsw.gov.au) to guide submissions on the key issues for the Review, which will be open for four weeks until 24 March 2021.

Written responses are to be directed to [tax.consultation@treasury.nsw.gov.au](mailto:tax.consultation@treasury.nsw.gov.au).

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