



**Hon. George Souris M.P**  
Minister for Tourism, Major Events, Hospitality and Racing  
Minister for the Arts

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## **MEDIA RELEASE**

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### **NEW LEGISLATION TO DELIVER FOR REGISTERED CLUBS**

The NSW Government today introduced legislation to Parliament to deliver a \$285 million boost for registered clubs and community programs and services across the State.

Minister for Tourism, Major Events, Hospitality and Racing, George Souris, said the *Gaming Machine Tax Amendment Bill* reduces tax paid by registered clubs and introduces changes to the Club Community Support Scheme.

“Registered clubs make a major social and economic contribution to NSW by providing high quality facilities and services, jobs and financial and in-kind support for community organisations across the State,” Mr Souris said.

“The Liberals and Nationals made a key election commitment to help ensure the sustainability of the club industry to maintain and enhance their unique role in local communities in metropolitan, regional and rural NSW.

“This legislation delivers on that commitment by reducing the gaming machine tax payable by NSW clubs and introducing a new ClubGRANTS scheme.

“This is not a tax cut to poker machine operators, but a lifeline to the struggling registered club movement and its three and a half million members in NSW.

“Since the previous Labor regime’s tax increases, about 100 clubs, many in regional areas, have had to shut their doors and more than 60 clubs amalgamate.

“Changes to gaming machine tax will return an estimated \$200 million over the next four years to the club movement and save many clubs from extinction.

“From September 1, reduced gaming machine tax rates will be introduced, benefiting almost 500 clubs of all different sizes across the State.

“And a new ClubGRANTS Scheme will provide an estimated \$85million in additional community support from registered clubs over the next four years.

“ClubGRANTS builds on the existing Community Development and Support Expenditure (CDSE) Scheme which provides gaming machine tax rebates to registered clubs if they spend an equivalent amount on approved community development and support.”

## **Community support reforms in this Bill include:**

- Renaming and expanding the CDSE Scheme as ClubGRANTS;
- Ensuring 2.25% of registered clubs' profits over \$1 million in a tax year are available as community support expenditure through the ClubGRANTS scheme;
- Increasing the tax rebate for registered clubs from 1.5 per cent to 1.85 per cent of gaming machine profits over \$1 million for community support expenditure;
- Providing for a further 0.4% of a club's gaming machine profits over \$1 million that would otherwise be paid in tax to instead be paid into a new ClubGRANTS Fund on behalf of clubs;
- Allowing clubs to claim contributions to professional sport (including leagues club contributions to the NRL) that are not player or coach payments;
- Enabling funds to be directed towards a club's core activities such as sport, golf courses, bowling green maintenance and RSL and veterans' welfare; and
- Establishing the new ClubGRANTS Fund as a State-wide funding pool for large scale projects associated with sport, health and community infrastructure. It is estimated that the fund would amount to \$10.2 million annually.

“Not only does this Bill confirm our support for the club movement, it demonstrates our belief that registered clubs deserve real action that delivers tangible benefits,” Mr Souris said.

“This legislation forms part of a wider package of reforms under the Memorandum of Understanding (MOU) between the NSW Liberals and Nationals and ClubsNSW signed in October last year.

“Further reforms outlined in the MOU will be announced shortly.”

The Allen Consulting Group and the Independent Pricing and Regulatory Tribunal (IPART) found NSW clubs employ 44,000 people and spend more than \$1.2 billion on wages.

They found that clubs mobilise 44,000 volunteers in support of their core purposes and provide 1,550 bowling greens, 366 golf courses, 163 playing fields, 80 gymnasiums and 66 swimming pools.

“This Bill will add a further 2,000 jobs over four years, save numerous regional clubs and make available millions of extra dollars to community organisations,” Mr Souris said.