



**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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Thursday 25 August, 2011

### **FIRST PHASE OF CLUB RESCUE PACKAGE PASSES PARLIAMENT**

The NSW Government described the passing of key legislation by Parliament today as an historic moment for the registered club movement, bringing an end to years of unfair tax hikes and injecting millions of dollars into local communities.

Minister for Tourism, Major Events, Hospitality and Racing and Minister for the Arts, George Souris, said the Liberals and Nationals have thrown a lifeline to the struggling club industry to ensure its sustainability and strengthen its social and economic contribution to NSW.

Mr Souris said the Upper House today passed the final legislative stage of the *Gaming Machine Tax Amendment Bill 2011* to implement reduced tax rates and establish a new ClubGRANTS scheme.

“The passing of this Bill fulfils a key election promise made by the Liberal-Nationals Coalition when we signed a Memorandum of Understanding with Clubs NSW last year,” he said.

“New gaming machine tax rates which will be introduced on September 1 will provide relief to clubs from the unsustainable increases forced on the industry by the former Government.

“Registered clubs provide high quality facilities and services, jobs and financial support for community, sporting, social and charitable organisations and these changes will enhance this major contribution to NSW.

“The new tax rates will benefit almost 500 clubs and their 3.5 million members and provide an estimated \$200 million saving over four years. There is no doubt that this will save many clubs from extinction especially in regional and rural NSW where the local club is the backbone of the town.

“The new ClubGRANTS scheme will deliver benefits of about \$90 million over four years to local communities, strengthening the long and proud history of clubs providing community support in a wide range of areas.

“The new scheme will increase 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.

“A new category of expenditure has also been created where a further 0.4 per cent of a club’s gaming machine profit over \$1 million that would otherwise be paid in tax will be paid into a new ClubGRANTS Fund.

“This fund will pay for large scale sport, health and community infrastructure projects across the State, amounting to an estimated \$10 million a year.

“The changes will also enhance club contributions to professional sport such as the NRL and facilities including golf courses and bowling greens as well as RSL and veterans’ welfare.

“When the Bill was before the Lower House, 21 Government members got to their feet and spoke in favour of the reforms in support of their local clubs and there would have been more if allowed.

“The NSW Government will later introduce more legislation to implement further measures outlined in the Memorandum of Understanding to continue to improve the long term future of clubs.

“We strongly believe that by strengthening clubs we are also strengthening the resilience and vitality of communities across the State.”

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