

# Submissions to the Point of Consumption Tax consultation

## On-course Bookmaker

1. I would say a definite NO for horse racing. For the first time in a long time we have a very vibrant and successful racing industry in NSW. The industry that employs over 50,000 participants (Peter V'Landy's) is thriving.

The industry is thriving because of wagering. Not many policy makers or racing administrators understand that to continue to prosper racing needs a strong tote pool, fixed odds betting and a betting exchange (betfair). At present the taxes are extremely high but fair enough that everyone can still get a piece of the pie. Any additional tax will ensure a less competitive marketplace that will definitely mean less turnover. We need a government with a long term vision, if you continually increase taxes, participation will decrease and at the end of the day the tax revenue will decrease. I don't have figures and I wish just one person at Racing Nsw understood this, how important a strong betfair is to our product. Whoever has the final decision please do a test and examine turnover figures on the days betfair isn't working. Racing isn't like a pokie machine it is a complex mix of professional punters, recreational punters, bookmakers and traders all which combine to create a vibrant market place, any new taxes which discourage any of these people from wagering will start the steady decline. It will not happen straight away but slowly we will lose people to overseas betting exchanges but most likely illegal SP bookies. Sustainable taxation on a thriving industry is far more desirable than short term tax grabs which will destroy our industry.

2. Harmony with South Australia, whilst racing NSW isn't perfect and I still believe no one in the organisation understands wagering, they (Peter V'landys) have done a great job with fair Racefields and the Everest, Racing South Australia is a clueless, poorly run business. Why would we even consider following or harmonizing with this organisation or state. Please spend time and investigate how their industry is, it is a bloody disaster. Zero thought went into their policy. Please don't even consider following them.
3. Definitely no POCT if we want the industry to survive. If you just ignore me and impose one it definitely can't be on turnover, again if anyone is proposing this to you they don't understand wagering (maybe organise a sub committee of wagering specialists to explain this). If you impose one keep it as close to zero as possible and it can only be on net wagering revenue
4. Common tax rate
5. I propose common, but you must look after betfair to ensure our industry survives.
6. Residential address
7. LET'S THINK OUTSIDE THE SQUARE. Why don't NSW lead the way and let things go for a few years, examine the impact on other jurisdictions. Maybe if others go on with little change, implement but I will ensure you this will kill racing jurisdictions that impose the 15%. Every other jurisdiction sat back and watched us fight for a few years with Racefields, why don't we let the other states stuff up and then make a decision. LET'S USE OUR BRAINS.
8. If this tax is implemented, then there must be a very sizeable threshold to protect the small to medium bookmakers. On the 17th February credit betting was banned in Australia with zero consultation. Lack of competition is definitely not good for the customer and these decision that are being made and in this case proposed are killing off the smaller to medium boutique operations that provided amazing service and contributed a lot to the NSW and Federal governments via taxation, employment, racefields etc. I suggest the threshold be net profit based to keep away from the aforementioned companies, say \$5 million (after expenses/ tax return). If you make under \$5million net profit you don't pay, this would definitely exempt on course bookmakers who are an integral part of the day at the races and need to be protected.
9. Off shore betting I am not 100% sure of but given the recent changes to credit betting we have lost 50% of our clients to illegal SP bookmakers in Australia. I know this sounds crazy but if I wasn't such an honest person with a loving family, I would go SP myself just to survive.

10. We had no SA clients with Elitebet as small and NSW based, but I know what it is like dealing with them regarding Racefields, it is dead set amateur hour. I know this is Racing SA not the government but I assume the government would get them to collect. Please test this for yourself.
11. Like I said before let's sit back for a few years watch the other states destroy their industries. Let's be honest NSW government is doing a great job financially do we really need to risk an industry for this tax.
12. Single state, don't get mixed up with others, clueless