LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

No. 307

WRITTEN QUESTION

J Davis to the Treasurer, Hon William Yan MLA:

Betting Tax Cap

The answer to Written Question No. 125 of the 15th Assembly advised that 11 of 29 licensees reached the tax cap in 2024–25; that for the nine licensees projected to reach the cap in 2025–26, five per cent of commission or profit would be $278.6 million; that an uncapped regime would theoretically raise $287.2 million against a forecast $35.5 million; and that removal of the cap "would almost certainly drive licensees out of the Territory".

1. The answer to Written Question No. 125 stated that in 2024–25, 11 of 29 bookmakers and betting exchanges had a tax liability of $1.41 million in total against a cap of 1,000,000 revenue units; that five of those licensees ceased operations and are not trading in 2025–26; and that Treasury projected 9 of the remaining 24 would pay at the increased cap of 2,000,000 revenue units, being $2.9 million, in 2025–26. It further projected that 5 per cent of those licensees' commission and profit would be $278.6 million, and that removing the cap would generate $287.2 million, an increase of $251.7 million on the Budget 2025–26 forecast. The 2025–26 financial year has since closed.

    a. How many licensees paid tax at the cap in 2025–26, and what was the total bookmaker and betting exchange taxation collected?

    b. On actual rather than projected 2025–26 performance, what was 5 per cent of those licensees' commission and profit?

    c. How many bookmakers and betting exchanges were licensed by the Territory at 30 June 2026, against 29 at the start of 2024–25?

    d. Where a figure would identify an individual licensee, please provide the aggregate across licensees rather than withholding the figure.

2. The answer to Written Question No. 125 stated that an uncapped taxation regime "would almost certainly drive licensees out of the Territory, to seek to become licensed in another jurisdiction with more

favourable conditions”, and that an uncapped regime “may in fact reduce aggregate tax revenue”.

a. What modelling, analysis or evidence supports that assessment, on what date was it prepared, and by whom?

b. Can that modelling be tabled?

c. How many licensees have relocated out of the Territory since 1 July 2020, and how many have become licensed in the Territory over the same period?

3. The answer to Written Question No. 125 records that the point of consumption tax levied by all other states and territories varies between 15 and 25 per cent and is in addition to the tax imposed by the Northern Territory. That answer addressed full removal of the cap.

a. Has the Government modelled aligning the Territory’s effective rate with other Australian jurisdictions — removing the incentive to relocate while collecting a comparable return?

b. If not, why not, and will it be modelled?

4. What revenue would be collected at intermediate cap settings — for example 4,000,000, 8,000,000 and 16,000,000 revenue units — on 2025–26 licensee performance?

a. Please provide as a table by cap setting.

b. If modelling at intermediate cap settings has not been undertaken, will it be undertaken and, if not, what data would be required to undertake it?

5. What licence conditions, minimum-presence requirements or other mechanisms are available to reduce the relocation risk relied on to justify the cap, and has the Government assessed any of them?