

## Conditions

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### Licensed Wagering Operators' Authority to Use Queensland Race Information

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The following conditions are imposed on an Authority and should be read with the Guidelines and the relevant Approved Forms.

#### **1.0 Defined terms**

Refer to Guidelines for defined terms.

#### **2.0 The duration of the race information authority**

The Initial Authority Period is from 1 September 2008 until 30 June 2010.

The Relevant Control Bodies will communicate the standard term of an Authority to each Licensed Wagering Operator holding an Authority at least 12 months prior to expiration of the Initial Authority Period.

#### **3.0 Information required to calculate fees**

A Licensed Wagering Operator must provide to the Relevant Control Bodies all Wagering Turnover and forecast Wagering Turnover data which is required to calculate the Race Information Fee for the Licensed Wagering Operator, including information:

- (i) specified on an Approved Form;
- (ii) specified in the Guidelines; or
- (iii) otherwise requested from time to time by a Control Body.

#### **4.0 Form of wagering information**

Wagering information provided must be of the type and in the form specified on an Approved Form, any form developed by a Relevant Control Body for the reporting of wagering information, including Wagering Turnover and in any Guidelines attached to those forms.

#### **5.0 Multiple contingencies**

For the purposes of providing Wagering Turnover information required by a Relevant Control Body, a Licensed Wagering Operator is required to include turnover related to wagering transactions using Queensland Race Information whether in a single transaction or as part of another contingency regardless of what the remaining part of the contingency may be.

Where a part of the contingency does not use Queensland Race Information, the Wagering Turnover is that fraction of the transaction which uses Queensland Race Information.

## **6.0 Fees payable to a Relevant Control Body**

The Race Information Fee payable by a Licensed Wagering Operator is the amount that is 1.5% of the Net Assessable Turnover of that Licensed Wagering Operator for the relevant Financial Year.

The Relevant Control Bodies have determined that a supply of Queensland Race Information made under an Authority constitutes a Taxable Supply under the GST Act. GST is therefore payable in addition to the Race Information Fee.

The definitions of "Net Assessable Turnover", "Wagering Turnover", "Exempt Turnover Threshold" and "Bet Backs" are provided in the Guidelines.

In order to calculate annual Net Assessable Turnover, a Licensed Wagering Operator should subtract the sum of \$5,000,000 from its Wagering Turnover.

Where the Wagering Turnover of the Licensed Wagering Operator does not exceed \$5,000,000 annually, the Licensed Wagering Operator shall be exempt from payment of the Race Information Fee. The Exempt Turnover Threshold is taken into account in each month's calculation of Net Assessable Turnover. See Condition 7.1 below.

When determining the Exempt Turnover Threshold and Net Assessable Turnover for a Licensed Wagering Operator which is issued with an Authority during a Financial Year, the Exempt Turnover Threshold and Net Assessable Turnover will be pro rata based on the number of days from the date when the Applicant is granted an Authority until the end of the Financial Year. However, if an Authority is granted for the Financial Year ending on 30 June 2009, the Exempt Turnover Threshold and Net Assessable Turnover will be pro rata based on the number of days from 1 September 2008 until the end of that Financial Year, unless a Relevant Control Body has decided a different Effective Date and communicates this to the Applicant (see Guideline 5.0).

### ***Where Recipient Created Tax Invoices can be issued***

For a Licensed Wagering Operator which can prepare Recipient Created Tax Invoices, the Race Information Fee will be paid by way of self assessment based on Net Assessable Turnover. The Licensed Wagering Operator must provide each of the Relevant Control Bodies with a statement setting out its Wagering Turnover for the month by the 21<sup>st</sup> day of the following month. The Race Information Fee payable to each Relevant Control Body must accompany the statement. That statement must set out the Wagering Turnover and the apportionment of the Wagering Turnover between the 3 Codes. The amounts in each of the Recipient Created Tax Invoices and the payment made to each Relevant Control Body must be in the same proportions as the Licensed Wagering Operator's Wagering Turnover is apportioned between the 3 Codes during the relevant period.

### ***Where Recipient Created Tax Invoices cannot be issued***

Where there is no determination that a Licensed Wagering Operator or a group of them may prepare Recipient Created Tax Invoices, those Licensed Wagering Operators must, within 5 Business Days of the end of a month in an Authority Period, deliver to each Relevant Control Body a statement setting out the amount of

Wagering Turnover and the apportionment of the Wagering Turnover between the 3 Codes. Where a Race Information Fee is payable for that month, each relevant Control Body must, within 3 Business Days of receiving that statement, issue a Tax Invoice for payment to the Licensed Wagering Operator. The Tax Invoice must be paid by the Licensed Wagering Operator by the 21<sup>st</sup> day of the month in which the Tax Invoice is issued.

## **7.0 When payments are to be made**

Payments are to be made in accordance with the Conditions of a Queensland Race Information Authority:

- By way of self assessment via a monthly return based on Net Assessable Turnover. The return will be in the form of a Recipient Created Tax Invoice which will be issued to each Relevant Control Body by the 21st day of the following month.
- If a Licensed Wagering Operator cannot prepare Recipient Created Tax Invoices, Tax Invoices will be issued by the Relevant Control Bodies and payments made as set out in Guideline 8.1 above.
- The Race Information Fee must be paid to the Relevant Control Bodies separately.
- The time frame for any payments by a Licensed Wagering Operator or a Relevant Control Body which must be made because of end of Financial Year adjustments is set out in Guideline 8.2.3.

## **7.1 Monthly calculation**

The amount payable by a Licensed Wagering Operator for each month will be calculated by following steps 1 – 4 below.

1. Wagering Turnover for the month – \$416,666.66 = Net Assessable Turnover  
  
\$416,666.66 is 1/12<sup>th</sup> of the Exempt Turnover Threshold
2. Net Assessable Turnover x 1.5% = Race Information Fee
3. Race Information Fee + GST = Race Information Fee inclusive of GST (Total Fee)
4. The amount that is the Total Fee is then divided between the 3 Codes in the same proportion that the Licensed Wagering Operator's Wagering Turnover is apportioned between the 3 Codes.

If a Licensed Wagering Operator does not have a Wagering Turnover in excess of \$416,666.66 for a month, no Race Information Fee will be payable for that month to any Relevant Control Body.

## **7.2 Information to provide**

The Licensed Wagering Operator must provide each of the Relevant Control Bodies with a statement of its Wagering Turnover for the month which sets out the Wagering Turnover and the apportionment of the Wagering Turnover between the 3 Codes.

This statement is required regardless of whether the Licensed Wagering Operator must pay a Race Information Fee for that month.

The deadline for providing this statement will depend upon whether or not the Licensed Wagering Operator can prepare Recipient Created Tax Invoices. If it cannot, then the deadline is within 5 Business Days of the end of the relevant month. If it can, then the deadline for providing the statement is the 21<sup>st</sup> day of the following month.

## **7.3 Annual Statements and adjustments**

The Licensed Wagering Operator must submit an Annual Statement setting out its Wagering Turnover for a Financial Year to each of the Relevant Control Bodies within 60 days of the end of the Financial Year.

The Annual Statement of the Licensed Wagering Operator must set out the Wagering Turnover and the apportionment of the Wagering Turnover between the 3 Codes for the relevant Financial Year.

If the total of the payments made by the Licensed Wagering Operator during the Financial Year to a Relevant Control Body were more or less than the Race Information Fee which is payable to that Control Body for the Financial Year, an adjustment will be required.

### ***Adjustments for Licensed Wagering Operators who can prepare Recipient Created Tax Invoices***

The Licensed Wagering Operator must issue a Recipient Created Adjustment Note to each Relevant Control Body in respect of the adjustment when submitting its Annual Statement.

If the adjustment is a debit, the shortfall must be paid to each Relevant Control Body when sending the Recipient Created Adjustment Note for the adjustment amount.

If the adjustment is a credit, a refund must be paid by each Relevant Control Body within 30 days of the date of receipt of the Recipient Created Adjustment Note for the adjustment amount.

***Licensed Wagering Operators who cannot prepare Recipient Created Tax Invoices***

If a Licensed Wagering Operator cannot prepare Recipient Created Tax Invoices, adjustment notes will be issued by the Relevant Control Bodies for any adjustment amount within 10 Business Days of receiving the Annual Statement.

If the adjustment is a debit, the shortfall must be paid to each of the Relevant Control Bodies within 30 days of receiving an adjustment note.

If the adjustment is a credit, the refund must be paid by each of the Relevant Control Bodies to the Licensed Wagering Operator when sending the adjustment note.

***Wagering Turnover below \$4 million***

The Annual Statement must be certified as true and correct by the Licensed Wagering Operator and verified by an Accountant if the Wagering Operator had, for any of the 3 previous Financial Years, a Wagering Turnover of less than \$4,000,000 per annum.

***Wagering Turnover above \$4 million***

The Annual Statement must be certified as true and correct by the Licensed Wagering Operator and verified by an independent Auditor if the Wagering Operator had, for any of the 3 previous Financial Years, a Wagering Turnover of at least \$4,000,000 per annum.

A Relevant Control Body has the right to engage an independent Auditor to verify the Wagering Turnover and Race Information Fees if it is not satisfied with the content of the return as submitted.

**8.0 Credit Terms**

All Tax Invoices issued by the Control Bodies will contain the date for payment.

In respect to Recipient Created Tax Invoices issued by a Licensed Wagering Operator, the Race Information Fee is payable by the 21<sup>st</sup> day of the month following the month to which the Race Information Fee relates.

If payment has not been received by the due date, overdue amounts can be netted off from any payments made.

For Race Information Fees unpaid after the stipulated timeframe in the relevant Tax Invoice, a \$27.50 (Inc GST) administration charge will be added to any account to cover the administrative costs in recovering the outstanding Race Information Fees and form part of the Race Information Fees payable.

Debts that remain outstanding more than 30 days from the due date may in each Relevant Control Body's absolute discretion be referred to the nominated Debt Collection Agency and/or proceed with a Default Listing with a Credit Report Agency.

Payment options are as set out in the Guidelines.

## **9.0 Race Information Legislation**

A Licensed Wagering Operator is subject to any conditions imposed by the Race Information Legislation (including future conditions imposed by that legislation) on the holder of an Authority.