



Victoria Government Gazette

No. S 218 Thursday 28 June 2012
By Authority of Victorian Government Printer

Gambling Regulation Act 2003

MINISTERIAL ORDER PURSUANT TO SECTION 3.6.9(3) OF THE GAMBLING REGULATION ACT 2003

I, Michael O'Brien MP, Minister for Gaming, pursuant to section 3.6.9(3) of the **Gambling Regulation Act 2003**, make the following determinations:

Part 1: Purposes or activities that constitute community purposes

A venue operator may claim up to:

- (1) 100 per cent of revenue applied to a purpose or activity listed under Class A;
- (2) for revenue applied to a purpose or activity listed under Class B, an amount equal to the proportion of non-gaming revenue to the club's total revenue¹;
- (3) 100 per cent of revenue applied to a purpose or activity listed under Class C.

Class A purposes and activities: Direct community benefits

- (a) Donations, gifts and sponsorships, including cash, goods and services, to another person resident in Victoria for the purposes or activities set out below but excluding purposes or activities conducted for profit and excluding a gift or donation of alcohol²:
 - (i) any educational purpose, but excluding education provided for the benefit of the members of a professional or business association;
 - (ii) the provision of health services or care;
 - (iii) services for the prevention and treatment of problem gambling and drug and alcohol addictions;
 - (iv) housing assistance for disadvantaged persons, including the provision of housing support and assistance to those experiencing homelessness or at risk of becoming homeless;
 - (v) the relief of poverty;
 - (vi) the provision of services and assistance for the aged;
 - (vii) the provision of services and assistance for young people³;
 - (viii) the protection and preservation of the environment but excluding conservation or rehabilitation activities conducted on private land;
 - (ix) the provision of assistance to relieve distress caused by natural or other disasters;
 - (x) the provision of advice, support and services to ex-service personnel, their carers and families, including payments to the Victorian Veterans Fund or a patriotic fund under the **Veterans Act 2005** or to any fund for that purpose established by the Returned and Services League Australia (Victorian Branch);
 - (xi) any other philanthropic or benevolent purpose including the promotion of art, culture, cultural diversity and community harmony, or charity including the benefiting of organisations endorsed by the Australian Taxation Office as 'Income Tax Exempt Charities';
 - (xii) any sporting or recreational purpose, including the benefiting of any sporting or recreational club or association, but excluding any club that holds a venue operator's licence.
- (b) The cost of providing and maintaining sporting facilities for use by club members⁴.
- (c) The cost of any subsidy provided for the provision of goods or services but excluding the provision of alcohol⁵.

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- (d) Voluntary services provided by members and staff of the club to the community in fulfilment of those purposes or activities (i) to (xii) in paragraph (a) but excluding those voluntary services provided by club members to the club itself or to another club that holds a venue operator's licence. The maximum amount that can be claimed is \$20 per hour per volunteer⁶.
- (e) Where the club that holds the venue operator's licence is a sub-branch of the Returned and Services League Australia (Victorian Branch), the provision of advice, support and services provided by that club to ex-service personnel, their carers and families, including payments to the Victorian Veterans Fund or a patriotic fund under the **Veterans Act 2005** or to any fund for that purpose established by the Returned and Services League Australia (Victorian Branch).

Class B purposes and activities: Indirect community benefits

- (a) Capital expenditure⁷.
- (b) Financing costs (including principal and interest)⁸.
- (c) Retained earnings accumulated during the year for which the community benefit is claimed⁹.
- (d) The provision of buildings, plant or equipment but excluding any building, plant and equipment with a value of less than \$10,000 per item and excluding the provision of gaming equipment, the gaming machine area of an approved venue or expenditure on any other activity or purpose listed in Part 2¹⁰.
- (e) Operating costs¹¹.

Class C purposes and activities: miscellaneous

- (a) The provision of responsible gambling measures and activities but excluding those required by law¹².
- (b) Reimbursement of expenses reasonably incurred by volunteers.
- (c) The preparation and audit of a community benefit statement required under section 3.6.9(1) of the **Gambling Regulation Act 2003** to a maximum of \$3,000.

Part 2: Activities or purposes that do not constitute community purposes¹³

- (a) The acquisition of gaming machine entitlements (including any associated financing costs).
- (b) The acquisition of gambling equipment (including any associated financing costs), including, but not limited to gaming machines, lucky envelope vending machines and any equipment required to facilitate the conduct or provision of bingo, lotteries, wagering, betting or keno.
- (c) The promotion of any form of gambling, including promotions in the gaming machine area and in any other area of the venue in which gambling is offered.
- (d) The provision of management services to the venue operator that are ancillary to the venue's gambling services, including all aspects of the management of gambling activities and customer loyalty programs.
- (e) The provision of Class A or Class C activities or purposes to, or for the benefit of, another venue operator or its employees or members¹⁴.

Dated 22 June 2012

HON. MICHAEL O'BRIEN MP
Minister for Gaming

Explanatory notes

¹ For example, where a club derives 60 per cent of its revenue from gaming, it can claim 40 per cent of the amounts it has spent under Class B.

² Paragraph (a) only applies to donations, gifts and sponsorships by a club to another person (including an incorporated entity) as a club cannot make a donation or give a gift to, or sponsor, itself. It is intended to include as community purposes all donations, gifts and sponsorships for the purposes set out in paragraphs (i) to (xii) but to exclude all activities conducted on a commercial

basis or for profit. The free use of club facilities such as meeting and function rooms by community groups is claimable under paragraph (a).

³ For the purposes of this order, a young person is a person aged 25 years or less.

⁴ This would include the cost of a racing club maintaining a racetrack and a football club its football stadium. Where the cost of providing sporting facilities is claimed, a claim cannot also be made for a subsidy under paragraph (c).

⁵ This would also include goods or services provided to club members and non-members at no cost or at less than commercial rates. The use of club facilities such as meeting and function rooms by community groups at a discounted rate is claimable under paragraph (c).

⁶ Volunteer services only include services to another person (including an incorporated entity) for the purposes set out in (i) to (xii) paragraph (a). Volunteer services by club members to the club cannot be claimed.

⁷ Buildings, plant and equipment that have a value of less than \$10,000 and gaming equipment or capital expenditure relating to the gaming machine area of an approved venue or any other activity or purpose listed in Part 2 cannot be claimed under paragraph (a). A motor vehicle can only be claimed where the motor vehicle is used for club purposes.

⁸ If financing costs are claimed, a claim cannot also be made in relation to the items financed. As provided under Part 2 paragraphs (a) and (b) respectively, claims may not be made for financing costs associated with the acquisition of gaming machine entitlements and gambling equipment.

⁹ Retained earnings can only be claimed for the year during which they were earned. If retained earnings are claimed, a claim cannot also be made when those funds are expended.

¹⁰ Where multiples of the same item forms one purchase, the total cost of all those items may be claimed.

¹¹ Operating costs include employment costs, but do not include the cost of staff whose principal place of employment is outside Victoria. Employment costs also include wages and salaries plus all on-costs such as superannuation and other entitlements, and benefits to the employee that attract fringe benefits tax. Operating costs also include management fees, electricity, rent etc. Payments made to players and officials of sporting clubs are claimable as operating costs.

¹² Responsible gambling measures and activities required by law including any measures or activities required by statute, licence, contract, agreement, deed, memorandum of understanding etc.

¹³ Part 2 is not an exhaustive list of activities or purposes that do not constitute community purposes.

¹⁴ This may include, for example, the donation of club membership tickets from one club holding a venue operator's licence to employees of another club holding a venue operator's licence.

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