

KwaZulu-Natal, South Africa

KwaZulu-Natal Gaming and Betting Tax Act, 2010

Act 9 of 2010

Legislation as at 1 November 2012

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KwaZulu-Natal South Africa

KwaZulu-Natal Gaming and Betting Tax Act, 2010 Act 9 of 2010

Published in KwaZulu-Natal Provincial Gazette 541 on 3 February 2011

Assented to on 15 December 2010

Commenced on 1 April 2011 by KwaZulu-Natal Gaming and Betting Act, 2010: Commencement

*[This is the version of this document from 1 November 2012
and includes any amendments published up to 4 April 2024.]*

*[Amended by Amendment of Schedule to the KwaZulu-Natal Gaming and Betting Tax Act, 2010 (Provincial Notice 57 of 2012) on 1 April 2011]
[Amended by Amendment of Schedule to the KwaZulu-Natal Gaming and Betting Tax Act, 2010 (Provincial Notice 112 of 2012) on 1 November 2012]*

ACT

To provide for the payment of tax by persons licensed in terms of the KwaZulu-Natal Gaming and Betting Act, 2010; and to provide for matters connected therewith.

BE IT ENACTED by the Provincial Legislature of the Province of KwaZulu-Natal, as follows:-

1. Definitions

In this Act any word or expression to which a meaning has been assigned in the KwaZulu-Natal Gaming and Betting Act, 2010, must, unless clearly inappropriate, bear that meaning, and, unless the context indicates otherwise-

"Board" means the KwaZulu-Natal Gaming and Betting Board established in terms of section 5 of the KwaZulu-Natal Gaming and Betting Act, 2010;

"Gazette" means the official *Provincial Gazette* of KwaZulu-Natal;

"Member of the Executive Council responsible for finance" means the member of the Executive Council of the Province of KwaZulu-Natal responsible for finance;

"responsible Member of the Executive Council" means the Premier of the Province of KwaZulu-Natal or that member of the Executive Council of the Province of KwaZulu-Natal to whom the Premier has assigned the administration of the KwaZulu-Natal Gaming and Betting Act, 2010; and

"this Act" includes the Schedule thereto.

2. Application of Act

This Act-

- (a) applies to all persons licensed in terms of the KwaZulu-Natal Gaming and Betting Act, 2010; and
- (b) must be read together with the KwaZulu-Natal Gaming and Betting Act, 2010, in relation to the payment of tax by persons licensed in terms of the said Act.

3. Payment of tax by persons licensed in terms of KwaZulu-Natal Gaming and Betting Act, 2010

All persons licensed in terms of the KwaZulu-Natal Gaming and Betting Act, 2010, must pay the tax as set out in the Schedule to this Act.

4. Offences and penalties

The provisions of sections 78, 135 and 145 of the KwaZulu-Natal Gaming and Betting Act, 2010, apply with the necessary changes to a person licensed in terms of the said Act, who by the date tax becomes due and payable, underpays or fails to pay tax as prescribed in terms of this Act.

5. Repeal, amendment or substitution of Schedules

The Member of the Executive Council responsible for finance may, in consultation with the responsible Member of the Executive Council and after consultation with the Board, by notice in the *Gazette*, and with effect from a date to be specified in such notice, repeal, amend or substitute the Schedule to this Act.

6. Short title and commencement

This Act is called the KwaZulu-Natal Gaming and Betting Tax Act, 2010, and comes into operation simultaneously with the KwaZulu-Natal Gaming and Betting Act, 2010, on the date determined for the coming into operation of that Act.

Schedule (Section 3)

Taxes

A. Casinos

1. Gaming tax

- (1) Casino gaming tax must be paid by the holder of the casino licence at the rate prescribed in the table hereunder:

Taxable revenue	Rate of taxes in respect of Casino Operators
Where the gross gaming revenue for the tax period -	
Does not exceed R 12 million	9.5% of gross gaming revenue
Exceeds R 12 million but does not exceed R 30 million	R 1 140 000.00 plus 11% of the amount by which gross gaming revenue exceeds R 12 million
Exceeds R 30 million but does not exceed R 50 million	R 3 120 000.00 plus 12% of the amount by which gross gaming revenue exceeds R 30 million
Exceeds R 50 million but does not exceed R 100 million	R 5 520 000.00 plus 13% of the amount by which gross gaming revenue exceeds R 50 million
Exceeds R 100 million	R 12 020 000.00 plus 14% of the amount by which gross gaming revenue exceeds R 100 million

- (2) For each table game, gross gaming revenue equals the closing bankroll plus credit slips for cash, chips or tokens returned to the casino cage, plus drop, less opening bankroll and fills to the table.
- (3) For each gaming machine, gross gaming revenue must be calculated using the appropriate electronic meters of the machine so as to determine both the amount of money gambled on the gaming machine and the amount of money won by persons using the gaming machine.
- (4) For each card game and any other game in which the licensee is not party to a wager, gross gaming revenue equals all money received by the licensee as compensation for conducting the game.
- (5) If, in any taxation period, the amount of gross gaming revenue is less than zero, the licensee may deduct the excess in the succeeding tax periods, until the excess is fully offset against gross gaming revenue.

2. For the purpose of this part of the Schedule -

"gross gaming revenue" means the difference between the amount of money gambled by person while gaming with a casino licensee and the amount of money returned to persons by the casino licensee, as direct winnings from the gambling activity in which the persons participated.

"taxation period" is defined as a calendar month.

B. Limited payout machines

1. Gaming tax

Limited payout machine gaming tax must be paid by the holder of a route operator licence or a independent site operator licence at the rate of 15 percent of gross gaming revenue in the taxation period, where gross gaming revenue must be calculated using the appropriate electronic meters of the machine so as to determine the amount of money gambled on the limited payout machine and the amount of money won by persons using limited payout machine

2. Gross gaming revenue

For the purposes of this part of the Schedule-

"gross gaming revenue" means the difference between the amount of money gambled by persons while gaming with a licensed route operator or licensed independent site operator and the amount of money returned to persons by such licensee, as direct winnings from the gambling activity in which the persons participated.

"taxation period" is defined as a calendar month.

C. Bingo

1. Gaming tax

Bingo gaming tax must be paid by the holder of a bingo licence, at the rate of 3 percent of the licensee's bingo revenue, where bingo revenue equals the total amount of money staked by players on a bingo game, including participation fees, less the total amount returned to players as prizes, during a taxation period.

2. For the purposes of this part of the Schedule -

"taxation period" means a calendar month.

D. Betting

1. Fixed-odds bets on horse races

The tax deduction and their distribution referred to in section 128 of the KwaZulu-Natal Gaming and Betting Act, 2010, in respect of fixed-odds bets on horse races placed with a bookmaker at a racecourse, or in premises other than a racecourse, are as prescribed in the table hereunder:

Beneficiaries to which the Board must affect distribution		Deductions from the amount won by a bettor, exclusive of the amount staked by the bettor, when a bettor wins a bet taken with a bookmaker
Provincial Revenue Fund	3%	
Racecourse operator	3%	
Total	6%	

2. Fixed-odds bets on sporting events or other events or contingencies

- (1) A bookmaker must pay into the Provincial Revenue Fund a betting tax equal to 6.5 percent of such bookmaker's gross profits on all betting transactions entered into by that bookmaker on-
 - (a) sporting events;
 - (b) other events or contingencies; or

- (c) any combination thereof.
- (2) For the purposes of this Schedule, the gross profits on betting transactions on sporting events or other events or contingencies is calculated to be the difference between the total amount-
 - (a) Due to the bookmaker in respect of such betting transactions; and
 - (b) The total amount of winnings paid out to bettors on such betting transaction, during the taxation period.
- (2A) If in any taxation period the amount of gross profits on betting transactions is less than zero, the bookmaker may deduct the excess in the succeeding tax periods until the excess is fully offset against gross profits on betting transactions.
- (3) Any betting transaction which constitutes a multiple bet and which multiple bet includes any selection involving the outcome of a horse race, does not constitute a betting transaction on a sporting event or other event or contingency and the taxation prescribed in Part D.1 of this Schedule is therefore applicable to such multiple bet.
- (4) For the purpose of this part of the Schedule-
"taxation period" is defined as a calendar month.

3. Pari-mutuel bets on horse races, sporting events or other events or contingencies

- (1) In respect of pari-mutuel bets placed with a totalisator on horse races, sporting events or other events or contingencies-
 - (a) the minimum amount to be returned to persons who have taken winning pari-mutuel bets on horse races, sporting events or other events or contingencies with a totalisator must, in aggregate, not be less than:
 - (i) 65 percent of all monies bet on the totalisator on the bet type referred to as the Super 8; or
 - (ii) 75 percent of all monies bet on the totalisator at any one race meeting, or on any sporting event or other event or other event or contingency, excluding the bet type referred to as the Super 8;
 - (b) the amount of the tax payable to the Board as referred to in this Act and section 131 of the KwaZulu-Natal Gaming and Betting Act, 2010, must be calculated at the rate of 1.5 percent of all monies bet on the totalisator during a tax period, and
 - (c) the totalisator licensee may retain from the amount that is not returned to persons who have taken winning pari-mutuel bets on horse races, sporting events or other events or contingencies with a totalisator, in accordance with paragraph (a), such amount as remains after deduction of the 1.5 percent tax contemplated in paragraph (b): Provided that when a totalisator licensee offers bets on commingled betting pools, the totalisator rules applicable to the host totalisator must apply: Provided, further, that the totalisator rules of the host totalisator must be advertised to bettors by the guest totalisator in the manner prescribed by the Board.
- (2) For the purposes of this Schedule-
 - (a) "commingling" means the process whereby a guest totalisator betting pools is combined with a host totalisator betting pool and "commingle", "comingled", and "commingles" have a corresponding meaning;
 - (b) "guest totalisator" means a totalisator operator licensed in KwaZulu-Natal;
 - (c) "host totalisator" means a totalisator operator licensed in a province, state or country outside of KwaZulu-Natal;

- (d) "tax period" means a calendar month; and
- (e) "totalisator rules" means the rules applicable to a totalisator operator which include, *inter alia*, betting rules and rules authorising deductions other than tax deductions from betting pools.

[Schedule 3 amended by [Provincial Notice 57 of 2012](#) and substituted by [Provincial Notice 112 of 2012](#)]