

## **EXPLANATORY MEMORANDUM**

### ***Inter-Governmental Relations (Functions and Funding) (2017 Budget) (Amendment) Bill 2016***

This bill proposes an amendment to establish the bookmaker's turnover tax sharing arrangement with eligible provinces to receive 40 per cent while national government retains 60 per cent. This measure aims to protect the integrity of the tax system.

**SECOND READING SPEECH**

***INTER-GOVERNMENTAL RELATIONS (FUNCTIONS AND FUNDING)  
(2017 BUDGET)(AMENDMENT) BILL 2016***

MR SPEAKER,

THIS BILL PROPOSES AN AMENDMENT TO ESTABLISH THE BOOKMAKERS TURNOVER TAX SHARING ARRANGEMENT WITH ELIGIBLE PROVINCES TO RECEIVE 40 PER CENT WHILE NATIONAL GOVERNMENT RETAINS 60 PER CENT. THIS MEASURE AIMS TO PROTECT THE INTEGRITY OF THE TAX SYSTEM.

MR SPEAKER, I COMMEND THE BILL.

Draft of 30/10/2016



No. of 2016.

*Inter-Governmental Relations (Functions and Funding) (2017 Budget)  
(Amendment) Bill 2016.*

**ARRANGEMENT OF CLAUSE.**

Amount of Turnover Tax Distribution to Provincial Governments (Amendment of Section 49).



A BILL

for

AN ACT

entitled

***Inter-Governmental Relations (Functions and Funding) (2017 Budget)  
(Amendment) Act 2016,***

Being an Act to amend the *Inter-Governmental Relations (Functions and Funding) Act 2009*,

MADE by the National Parliament and deemed to come into operation on  
1 January 2017.

**AMOUNT OF TURNOVER TAX DISTRIBUTION TO PROVINCIAL  
GOVERNMENTS (AMENDMENT OF SECTION 49).**

Section 49 of the Principal Act is amended -

(a) by repealing the year "2009" and replacing it with the following year:

"2017"; and

(b) by inserting, after the word "year" twice appearing, the following words:

"40% of".