



Racing Industry (Distribution from Betting Profits) Regulations 2021

Patsy Reddy, Governor-General

Order in Council

At Wellington this 28th day of June 2021

Present:

Her Excellency the Governor-General in Council

These regulations are made under section 73 of the Racing Industry Act 2020—

- (a) on the advice and with the consent of the Executive Council; and
- (b) on the recommendation of the Minister for Racing made after complying with section 73(4) of that Act.

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Regulations

1 Title

These regulations are the Racing Industry (Distribution from Betting Profits) Regulations 2021.

2 Commencement

These regulations come into force on 1 August 2021.

3 Interpretation

- (1) In these regulations, unless the context otherwise requires,—

Act means the Racing Industry Act 2020

agreed period means a period jointly agreed between TAB NZ, Racing New Zealand, and Sport and Recreation New Zealand

available profits means the amount of betting profits available for distribution after applying section 73(2) of the Act

betting profits means TAB NZ's betting profits for the previous racing year, as calculated in accordance with section 73(3) of the Act

gross betting revenue, means the amount of TAB NZ's gross betting revenue in the previous racing year or other agreed period, as specified in TAB NZ's latest annual report

Racing New Zealand means the body established by section 9 of the Act

TAB NZ means TAB New Zealand established by section 54 of the Act.

- (2) Terms used in these regulations and not defined, but defined in the Act, have the same meaning as in the Act.

4 Transitional, savings, and related provisions

The transitional, savings, and related provisions (if any) set out in Schedule 1 have effect according to their terms.

Distribution from betting profits

5 Distribution from betting profits

- (1) For the purposes of section 73(1) of the Act, TAB NZ must—
- (a) retain an amount that is equal to 2.5% of available profits for the purpose of carrying out its duties in relation to harm prevention and minimisation in respect of betting conducted under the Act; and
 - (b) distribute the remainder of the available profits to—
 - (i) Racing New Zealand (acting on behalf of the 3 racing codes in accordance with section 12 of the Act) in an amount that is equal

- to the percentage that racing betting has contributed to TAB NZ's gross betting revenue; and
- (ii) Sport and Recreation New Zealand in an amount that is equal to the percentage that sports betting has contributed to TAB NZ's gross betting revenue.
- (2) Distributions under subclause (1)(b) must be made on the date or dates agreed in writing between TAB NZ and the person to whom the distribution must be made.

Schedule 1

Transitional, savings, and related provisions

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Part 1

Provisions relating to these regulations as made

There are no transitional, savings, or related provisions in these regulations as made.

Michael Webster,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 August 2021, prescribe the method for determining the distribution of TAB New Zealand's (**TAB NZ**) betting profits from the racing betting and sports betting it conducts under the Racing Industry Act 2020 (the **Act**).

TAB NZ's betting profits are calculated under section 73(3) of the Act. For any period on or after 1 July 2021, section 73(2) of the Act provides that the amount that may be distributed must not exceed 4% of the betting profits (the **available profits**).

The effect of these regulations is that TAB NZ must retain an amount equal to 2.5% of the available profits for the purpose of carrying out its duties relating to harm prevention and minimisation under the Act and distribute the remainder to—

- Racing New Zealand in an amount equal to the percentage that racing betting has contributed to TAB NZ's gross betting revenue in the previous racing year or any longer agreed period; and
- Sport and Recreation New Zealand in an amount equal to the percentage that sports betting has contributed to TAB NZ's gross betting revenue in the previous racing year or any longer agreed period.

**Racing Industry (Distribution from Betting Profits)
Regulations 2021**

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These regulations are administered by the Department of Internal Affairs.

Wellington, New Zealand:

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