



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

DRAFT INTERACTIVE GAMBLING TAX BILL

The Minister of Finance today released the Draft Interactive Gambling Tax Bill (“the Bill”) for public comment. The legislation gives effect to the taxation of interactive gambling activities as provided for in the National Gambling Amendment Bill.

The Bill provides for the imposition of a special tax on interactive gambling activities. The tax will be imposed on operators with an interactive gambling site in South Africa. The tax base will fall upon gross gambling revenue (i.e. the net inputs generated by an operator).

The National Gambling Amendment Bill was passed by the National Assembly on 16 May 2008. The initial National Gambling Act, 2004 (Act No. 7 of 2004) did not provide for legalised interactive gambling in South Africa. However, the National Gambling Amendment Bill (Section 88A), allows for this form of gambling in South Africa in order to ensure regulatory oversight of interactive gambling, as opposed to it remaining in the hands of offshore jurisdictions, with little or no protection for local consumers. According to the National Gambling Amendment Bill, tax in respect of interactive gambling activities is also to be imposed in terms of appropriate legislation (i.e. the Draft Interactive Gambling Tax Bill).

The Bill will be tabled in Parliament during the first half of 2009 and comments can be sent via email to nomfanelo.mpotulo@treasury.gov.za before 1 March 2009. The full text of the Draft Bill can be found on www.treasury.gov.za

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