Tax concessions for gaming machines located in registered clubs

Registered clubs in New South Wales pay concessional rates of tax on their gaming machine profits compared to the tax rates levied on hotel gaming machine profits. Tax rates for clubs and hotels are based on a progressive scale depending on the level of annual profits from gaming machines.

Chart C.2 shows the proportion of the total value of the tax concession provided to clubs by annual gaming machine profit bands (left axis) and the proportion of clubs within each of the annual gaming machine profit bands (right axis) for 2024-25 (the chart does not include the ClubGRANTS tax rebate). It shows that clubs with profit greater than $20 million, which account for 6 per cent of clubs (not including clubs with nil or negative gaming machine profits), receive about half of the total concession provided to clubs. Clubs with gaming profits less than $200,000 do not receive any concession as both clubs and hotels do not pay tax on gaming machine profits below $200,000.

Chart C.2: Proportion of total concessions and proportion of total number of clubs by annual gaming machine profit, 2024-25[5]