

# Jackpot prize pool funds - change of venue licence holder

*Where the holder of a venue licence that allows for the operation electronic gaming machines is going to change, the outgoing and incoming venue licence holders need deal with the issue of jackpots.*

## *Effect of gaming machine jackpot increment on gross profit*

The increment of an electronic gaming machine jackpot is derived from credits played and is included as part of the venue gross profit. It is subject to tax and Community Support Levy (CSL) each month. When a gaming machine jackpot is won at a venue, the gross profit is decreased by the jackpot pay out value, reducing the amount of tax and CSL that is payable.

## Outgoing licence holder

If you are operating gaming machines with jackpots at your venue and you will no longer be the venue licence holder, you need to make arrangements for the jackpot prize pool funds (ie the jackpot increment amount over and above the jackpot start-up value) on each gaming machine to be transferred to the new venue licence holder. The amount of jackpot increment to be transferred should be determined as at your last day of trade and should take into consideration any tax and CSL that you have paid or will be responsible to pay on the jackpot increment amount.

*Maxgaming will be able to provide you with the jackpot prize pool amount for each gaming machine.*

If you do not make arrangements for a transfer, you should have the jackpots cleared from the gaming machines by Maxgaming, effective from your last day of trade. You will be required to pay the funds to the Commissioner of State Revenue. The funds will be added to the community support fund.

## Incoming licence holder

If the venue you are seeking a licence for currently operates gaming machine jackpots, and you intend for those jackpots to continue, you will need to make arrangements with the existing venue licence holder to obtain the jackpot prize pool funds (ie the increment amount over and above the jackpot start up value) on each gaming machine, effective as at the previous licence holder's last day of trade. This a commercial matter - not one for the Tasmanian Liquor and Gaming Commission.

If you do not make transfer arrangements with the existing licence holder, the jackpot prize pool balance on each gaming machine should be removed by the outgoing licence holder prior to your licence commencing. However, if the outgoing licence holder does not clear the jackpots, you will be liable to pay any jackpot wins, even if you have not made a commercial arrangement to deal with this.

*For further information or assistance on electronic gaming machine jackpot requirements, please contact the Liquor and Gaming Branch on 61 66 4040 or [gaming.tax@treasury.tas.gov.au](mailto:gaming.tax@treasury.tas.gov.au).*