MPUMALANGA
GAMBLING BOARD

MPUMALANGA GAMBLING LEVIES REGULATIONS

Incorporating latest amendments: 31 October 2012
(Effective 01 November 2012)

MPUMALANGA GAMBLING LEVIES REGULATIONS

Gambling levy - Casinos

1. (1) The gambling levy payable in terms of section 2 of the Mpumalanga Gambling Levies Act, 2007, is paid at a sliding rate calculated on the licensee's monthly gross gambling revenue as follows:

GROSS GAMBLING REVENUE	**RATE OF LEVY**
R0 to R10 000 000	5% of each R1
R10 000 001 to R15 000 000	R500 000 plus 7.5% of amount exceeding R10 000 000
Exceeds R15 000 000	R875 000 plus 10% of amount exceeding R15 000 000

(2) For each table game, gross gambling revenue equals the closing table float plus credit slips for cash, chips or tokens returned to the casino cage, plus drop, less opening table float and fills to the table.

(3) For each gambling machine, gross gambling revenue equals the total value registered on the in-meter less the total value registered on the out-meter less the total value registered on the jackpot meter less the provision for incremental values of progressive jackpots, where applicable: Provided that if any malfunction occurs resulting in incomplete or inaccurate data being received from one or more of the in-meter, out-meter or jackpot meter of a gambling machine, the licensee shall immediately communicate the malfunction to the Board and after approval by the Board, the method of calculation of gross gambling revenue for that gambling machine will be: Drop less hopper fills less hand payments. The initial hopper load will not be regarded as a hopper fill and will not affect the calculation of gross gambling revenue.

(4) For each card game and any other casino game in which the licensee is not a party to a wager, gross gambling revenue equals all money received by the licensee as compensation for conducting the game.

(5) If the amount of gross gambling revenue is less than zero for any particular month for which levies are to be calculated in terms hereof, the licensee may deduct the loss in the subsequent months, until the loss is fully set-off against gross gambling revenue.

(6) No licensee may deduct any amount of money from any gambling levy payable in terms hereof, unless prior permission for such deduction has been granted in writing by the staff of the Board, irrespective of whether a dispute exists as referred to in subregulation (8) or not.

(7) If a licensee fails to keep the records used or required to be used to calculate gross gambling revenue, the Board may compute and determine gross gambling revenue based on an audit conducted by its staff, upon the basis of any information within the Board's possession, or upon statistical analysis.

(8) If a dispute arises between a licensee and the staff of the Board on the issue of the amount of gambling levies payable, which dispute cannot be resolved between the licensee and the Board’s staff, the Board itself must resolve such dispute.

Gambling levy - Bingo

2. (1) The gambling levy payable in terms of section 2 of the Mpumalanga Gambling Levies Act, 2007, is paid at the rate of eight percent of the licensee's monthly bingo revenue.

(2) For purposes of subregulation (1), bingo revenue means the total amount of money staked by players on a bingo game, including participation fees, less the total amount returned to players by way of prizes.

(3) No licensee may deduct any amount of money from any gambling levy payable in terms hereof, unless prior permission for such deduction has been granted in writing by the staff of the Board, irrespective of whether a dispute exists as referred to in subregulation (5) or not.

(4) If a licensee fails to keep the records used or required to be used to calculate gross gambling revenue, the Board may compute and determine gross gambling revenue based on an audit conducted by its staff, upon the basis of any information within the Board's possession, or upon statistical analysis.

(5) If a dispute arises between a licensee and the staff of the Board on the issue of the amount of gambling levies payable, which dispute cannot be resolved between the licensee and the Board's staff, the Board itself must resolve such dispute.

Gambling levy – Route Operators

3. (1) The gambling levy payable in terms of section 2 of the Mpumalanga Gambling Levies Act, 2007, is paid at the rate of 10 percent of the licensee's monthly gross gambling revenue.

(2) For each limited payout machine, gross gambling revenue equals the total value registered on the in-meter less the total value registered on the out-meter less the total value registered on the jackpot meter: Provided that if any malfunction occurs resulting in incomplete or inaccurate data being received from one or more of the in-meter, out-meter or jackpot meter of a limited payout machine, the method of calculation of gross gambling revenue for that limited payout machine will be: Drop less hopper fills less hand payments. The initial hopper load will not be regarded as a hopper fill and will not affect the calculation of gross gambling revenue.

(3) If the amount of gross gambling revenue is less than zero for any particular month for which levies are to be calculated in terms of these regulations, the licensee may deduct the loss in the subsequent months, until the loss is fully set-off against gross gambling revenue.

(4) No licensee may deduct any amount of money from any gambling levy payable in terms hereof, unless prior permission for such deduction has been granted in writing by the staff of the Board, irrespective of whether a dispute exists as referred to in subregulation (6) or not.

(5) If a licensee fails to keep the records used or required to be used to calculate gross gambling revenue, the Board may compute and determine gross gambling revenue based on an audit conducted by its staff, upon the basis of any information within the Board's possession, or upon statistical analysis.

(6) If a dispute arises between a licensee and the staff of the Board on the issue of the amount of gambling levies payable, which cannot be resolved between the licensee and the Board's staff, the Board itself must resolve such dispute.

Gambling levy – Independent Site Operator

4. (1) The gambling levy payable in terms of section 2 of the Mpumalanga Gambling Levies Act, 2007, is paid at the rate of 10 percent of the licensee's monthly gross gambling revenue.

(2) For each limited payout machine, gross gambling revenue equals the total value registered on the in-meter less the total value registered on the out-meter less the total value registered on the jackpot meter: Provided that if any malfunction occurs resulting in incomplete or inaccurate data being received from one or more of the in-meter, out-meter or jackpot meter of a limited payout machine, the method of calculation of gross gambling revenue for that limited payout machine will be: Drop less hopper fills less hand payments. The initial hopper load will not be regarded as a hopper fill and will not affect the calculation of gross gambling revenue.

(3) If the amount of gross gambling revenue is less than zero for any particular month for which levies are to be calculated in terms hereof, the licensee may deduct the loss in the subsequent months, until the loss is fully set-off against gross gambling revenue.

(4) No licensee may deduct any amount of money from any gambling levy payable in terms hereof, unless prior permission for such deduction has been granted in writing by the staff of the Board, irrespective of whether a dispute exists as referred to in subregulation (6) or not.

(5) If a licensee fails to keep the records used or required to be used to calculate gross gambling revenue, the Board may compute and determine gross gambling revenue based on an audit conducted by its staff, upon the basis of any information within the Board's possession, or upon statistical analysis.

(6) If a dispute arises between a licensee and the staff of the Board on the issue of the amount of gambling levies payable, which cannot be resolved between the licensee and the Board's staff, the Board itself must resolve such dispute.

Applicability of item 4

5. The provisions of item 4 are not applicable to a site operator licensee who makes available for play only limited payout machines operated by the holder of a route operator licence.

Gambling levy – Totalisator Operators

5A. (1) The gambling levy payable in terms of section 2 of the Mpumalanga Gambling Levies Act, 2007 shall be paid –

(a) at the rate of two and a half percent on the gross takings of such totalisator; and

(b) at the rate of ten percent on the undistributed takings and unclaimed dividends respectively of that totalisator.

(2) For the purpose of paragraph (b) of subregulation (1) –

(a) undistributed takings refer to that part of the gross takings of a totalisator which are undistributed as a result of the fact that –

(i) no fraction of ten cents has been declared as a dividend payable to punters on such takings; or

(ii) no ticket entitling the holder thereof to a refund of the amount staked by him or her was tendered for the refund of such amount; and

(b) unclaimed dividends refer to that part of the gross takings of a totalisator which have not been claimed within a period of three months after they were declared as dividends.

(3) No licensee may deduct any amount of money from any gambling levy payable in terms hereof, unless prior permission for such deduction has been granted in writing by the staff of the Board, irrespective of whether a dispute exists as referred to in subregulation (5) or not.

(4) If a licensee fails to keep the records used or required to be used to calculate the gambling levy, the Board may compute and determine such gambling levy based on an audit conducted by its staff, upon the basis of any information within the Board's possession, or upon statistical analysis.

(5) If a dispute arises between a licensee and the staff of the Board on the issue of the amount of gambling levies payable, which dispute cannot be resolved between the licensee and the Board's staff, the Board itself must resolve such dispute.

Gambling levy – Bookmakers

5B. (1) The gambling levy to be collected and paid in terms of section 2 of the Mpumalanga Gambling Levies Act, 2007 –

(a) in relation to winning bets struck on any horseracing event shall be six percent of such winnings: Provided that any bet on a combination of contingencies incorporating any contingency in relation to horseracing shall in its entirety be deemed to be a bet on horseracing; and

(b) in relation to winning bets struck on any sporting events or contingencies other than horseracing, shall be six-and-a-half percent of the gross profit generated in respect of all such transactions entered into during each tax period.

(2) For the purposes of paragraph (a) of subregulation (1), winnings shall be determined by deducting from the total amount payable in respect of a winning bet the amount staked in respect of that bet.

(3) For the purpose of paragraph (b) of subregulation (1), "gross profit" shall mean the total amount wagered with the holder of a bookmaker licence on betting transactions contemplated in paragraph (b) of subregulation (1), less the total amount paid out by such bookmaker in respect of winning bets during the relevant tax period, before deduction of any expenses incurred in the conduct of the relevant bookmaking business.

(4) If a licensee fails to keep records used or required to be used to calculate the gambling levy, the Board may compute and determine such gambling levy based on an audit conducted by its staff, upon the basis of any information within the Board's possession, or upon statistical analysis.

(5) No licensee may deduct any amount of money from any gambling levy payable in terms hereof, unless prior permission for such deduction has been granted in writing by the staff of the Board, irrespective of whether a dispute exists as referred to in subregulation (4) or not.

(6) If a dispute arises between a licensee and the staff of the Board on the issue of the amount of gambling levies payable, which cannot be resolved between the licensee and the Board's staff, the Board itself must resolve such dispute.

Repeal of Regulations

6. The Regulations contained in the Schedule are hereby repealed to the extent as set out in the third column.

No. and year of Law	**Short Title**	**Extent of repeal**
No. 170 of 1996 Published 23 August 1996 No. 170 Notice 241 of 1996 Amended 3 January 1997 No. 201 Notice 2 of 1997	Mpumalanga Gaming Regulations, 1996	Regulations 75, 76, 77, 133, 134, 136, 172, 173, 174, 196, 199, 200 and 201.
Notice 1916 of 1978 Amended 1 January 1993; 1 December 1994; and 1 August 2003	Horse-Racing and Betting Regulations, 1978	The whole.