

**KWAZULU-NATAL PROVINCE**TREASURY
REPUBLIC OF SOUTH AFRICA**DIRECTORATE: OFFICE OF THE HOD**

P.O. Box 3613, PIETERMARITZBURG, 3200

Treasury House, 145 Chief Albert Luthuli Street, Pietermaritzburg, 3200

Tel: 033 897 4547 Fax: 033 342 2486

Email: carol.coetzee@kzntreasury.gov.za/thulile.ndlovu@kzntreasury.gov.za**ROUTE FORM**

| SUBJECT | NOTICE TO WITHDRAW KZN GAMING AND BETTING TAX AMENDMENT BILL, 2021 | | | | |
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| DIRECTORATE/BRANCH | Management Services | | | | |
| ENQUIRIES | Lungile Ngcobo | | | | |
| CONTACT DETAILS | 033 897 4583 | | | | |
| DATE | 27 September 2023 | | | | |
| NAME | RANK | DIRECTORATE | DATE IN | DATE OUT | SIGNATURE |
| CL Coetzee | HOD | Management Services | 27/09/2023 | 27/09/2023 | <i>CL Coetzee</i> |
| NP Nkonyeni | MEC | Finance | | | |

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| COMMENTS | |
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received
27/09/23 (M316)



Private Bag X454, PIETERMARITZBURG, 3200
Moses Mabhida Building, 330 Langalibalele Street, Pietermaritzburg, 3200
Tel: 033 341 4830 Fax: 033 341 0986
Name:
Email:
Website: www.kzntreasury.gov.za

NOTICE TO WITHDRAW KZN GAMING AND BETTING TAX AMENDMENT BILL, 2021

The MEC for Finance in KwaZulu-Natal, Ms Neliswa Peggy Nkonyeni, wishes to notify the gaming and betting operators as well as the public of the withdrawal of the KZN Gaming and Betting Tax Amendment Bill of 2021.

The KwaZulu-Natal Gaming and Betting Tax Amendment Bill, 2021 ("the Bill") was tabled in the KZN Legislature by the MEC for Finance on 10 December 2021 and referred to the Finance Portfolio Committee to undertake public consultation, as per S118(1) of the Constitution of the Republic of South Africa ("the Constitution") which requires that a provincial legislature must facilitate public involvement in the legislative and other processes of the Legislature.

The Bill was then published in the Provincial Gazette on 7 January 2022, inviting interested parties to submit written representations on the Bill within 30 days of publication of the notice. The comments period closed on the 7 February 2022. The Committee received a number of submissions in response to such Gazette Notice, which comments raised procedural, constitutional and other legal challenges to the Bill. These were then responded to by the MEC for Finance.

Based on the magnitude of comments and compelling arguments received from the public and other affected stakeholders received during a province-wide public participation drive, and the fact that the Provincial Legislature currently cannot make any amendments to the Money Bill to include substantive or policy changes raised by the public comments,, the MEC for Finance thought it prudent to withdraw the Bill, in order for the province to review the Bill, taking into consideration the public comments, aligning the definitions in the KZN Gaming and Betting Act, as amended and the Bill, to incorporate all active and intended beneficiaries.

The review of the Bill will also relook at the model of distribution as proposed in the Bill in order to ensure that the benefits are wide-reaching. The province has also since embarked on a socio-economic impact study which will inform changes to be made to the Bill, if appropriate and supported by the research.

A Provincial Task Team has since been established to drive the review process, and further consultation with stakeholders will be undertaken in due course.

Kind Regards

Ms Neliswa P. Nkonyeni, MPL

MEC For Finance

KwaZulu-Natal