

RUSSELL CORPORATE ADVISORY NEWSLETTER

Gaming Tax Deferral Application

The February and May 2020 quarterly gaming tax payments were deferred by government to 1 September 2020. This due date is racing towards us, now only weeks away.

This will create a cashflow crunch for many clubs, made worse by payment of the August 2020 quarterly tax falling due 3 weeks later on 21 September.

As no public statement has yet been made regarding government extending the deferral period, we are recommending that clubs apply for further deferral as soon as possible.

Our recommendation is that deferral is requested at least to 1 July 2021, with an instalment plan to commence after that. This will provide much needed breathing room for club cashflows to improve and hopefully stabilise to a viable level.

And for those many clubs that have a 30 June year-end, a deferral to July 2021 may allow the tax liability to be classified as non-current at 30 June 2020, which will reduce pressure on the assessment of going concern and improve balance sheet ratios.

Russell Corporate Advisory is already in the process of preparing deferral applications for some of our clients.

We can assist with preparation of a deferral application for your club - please contact us as soon as possible to ensure the submission is lodged with government in time for it to be considered.

Clubs should have a business case and justifiable argument to support their application, and we can discuss this with you.

If you would like to discuss a deferral application, and your specific tax liability position and how it may impact your cash position and audit process, please contact us for an obligation-free discussion.

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