

# **Betting and Sweepstake Duties (Amendment) Bill**

**Bill No. 4/2005.**

*Read the first time on 28th February 2005.*

A BILL

*intituled*

An Act to amend the Betting and Sweepstake Duties Act (Chapter 22 of the 1999 Revised Edition) and to make related amendments to the Singapore Totalisator Board Act (Chapter 305A of the 1999 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

### Short title and commencement

1. This Act may be cited as the Betting and Sweepstake Duties (Amendment) Act 2005 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

### 5 Amendment of section 2

2. Section 2 of the Betting and Sweepstake Duties Act (referred to in this Act as the principal Act) is amended by inserting, immediately before the definition of “exempt organisation”, the following definition:

10 ““Commissioner” means the Commissioner of Stamp Duties appointed under section 3 of the Stamp Duties Act (Cap. 312);”.

### Repeal and re-enactment of section 3

3. Section 3 of the principal Act is repealed and the following section substituted therefor:

#### “Duty on betting and sweepstakes

15 3.—(1) A duty shall be charged in respect of any betting on a totalisator, pari-mutuel or in any other system or method of cash or credit betting held, promoted, organised, administered or operated by an exempt organisation specified by order in the *Gazette* by the Minister.

20 (2) A duty shall be charged on every sweepstake promoted by an exempt organisation specified by order in the *Gazette* by the Minister on the result of a horse race or other race whether the race takes place in Singapore or elsewhere.

25 (3) The Minister may, by order in the *Gazette*, prescribe the rate of any duty charged under this section or section 4 (including the basis to which the rate shall apply), and may prescribe different rates and bases of duty for different classes of betting or sweepstakes.”.

### Amendment of section 4

4. Section 4 of the principal Act is amended —

30 (a) by inserting, immediately after the words “exempt organisation” in subsection (1), the words “specified by order in the *Gazette* by the Minister”;

(b) by deleting subsections (2), (3), (4) and (5); and

(c) by renumbering subsection (6) as subsection (2).

#### **Amendment of section 5**

5 **5.** Section 5 of the principal Act is amended by deleting the words “racing club or association or”.

#### **Amendment of section 6**

**6.** Section 6 of the principal Act is amended —

(a) by deleting the word “and” at the end of sub-paragraph (iii) of subsection (1)(b);

10 (b) by inserting, immediately after sub-paragraph (iv) of subsection (1)(b), the following sub-paragraph:

“(v) such other particulars as the Minister may, by order in the *Gazette*, prescribe; and”; and

15 (c) by deleting subsection (2) and substituting the following subsection:

“(2) The Minister may, by order in the *Gazette*, prescribe the time within which a statement referred to in subsection (1)(b) shall be delivered and the duty so chargeable shall be paid to the Commissioner.”.

#### **Amendment of section 7**

20 **7.** Section 7 of the principal Act is amended by deleting the words “racing club or association or exempt organisation” and substituting the words “exempt organisation specified by order under section 3(1) or (2) or 4(1)”.

#### **Amendment of section 9**

**8.** Section 9 of the principal Act is amended —

30 (a) by deleting the words “racing club or association exempted under section 22 of the Betting Act (Cap. 21) from the provisions of that Act” in the 3rd and 4th lines and substituting the words “exempt organisation specified by order under section 3(2)”; and

(b) by deleting the words “racing club or association” in the last line and substituting the words “exempt organisation”.

### **New section 11**

**9.** The principal Act is amended by inserting, immediately after section 10, the following section:

#### **“Composition of offences**

- 5       **11.**—(1) The Commissioner may, in his discretion, compound —
- (a) an offence under section 10(1) by collecting from a person reasonably suspected of having committed the offence a sum not exceeding \$250; or
- 10       (b) an offence under section 10(2) by collecting from a person reasonably suspected of having committed the offence a sum not exceeding double the amount of duty payable or \$5,000, whichever is less.
- (2) On payment of such sum of money, no further proceedings shall be taken against that person in respect of the offence.
- 15       (3) All sums collected under this section shall be paid into the Consolidated Fund.”.

### **Miscellaneous amendments**

**10.** The principal Act is amended by deleting the words “of Stamp Duties” wherever they appear in sections 6, 7 and 10.

### **20 Related amendments to Singapore Totalisator Board Act**

- 11.** The Singapore Totalisator Board Act (Cap. 305A) is amended —
- (a) by inserting, immediately after section 9A, the following section:

#### **“Power to borrow**

- 25       **9B.**—(1) The Board may, from time to time, for the purposes of this Act, raise loans from the Government or, with the approval of the Minister, raise loans within or outside Singapore from such source as the Minister may direct by —
- (a) mortgage, overdraft or other means, with or without security;
- 30       (b) charge, whether legal or equitable, on any property vested in the Board or on any other revenue

receivable by the Board under this Act or any other written law; or

(c) the creation and issue of debentures, bonds or any other instrument as the Minister may approve.

5 (2) For the purposes of this section, the power to raise loans shall include the power to make any financial agreement whereby credit facilities are granted to the Board for the purchase of goods or services.”; and

10 (b) by deleting paragraph (b) of section 12(1) and substituting the following paragraph:

“(b) the amount of any commission prescribed, or determined in any manner prescribed, in any regulations made under section 21.”.

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## EXPLANATORY STATEMENT

This Bill seeks to amend the Betting and Sweepstake Duties Act (Cap. 22) to provide for greater flexibility in prescribing the rate and basis of betting and sweepstake duty and in administering the collection of such duty, and makes related amendments to the Singapore Totalisator Board Act (Cap. 305A).

Clause 1 relates to the short title and commencement.

Clause 2 inserts a definition of “Commissioner” in section 2 (defined to mean the Commissioner of Stamp Duties appointed under section 3 of the Stamp Duties Act (Cap. 312)).

Clause 3 amends section 3 to give the Minister greater flexibility in prescribing different rates of duty (including the basis to which the rate shall apply) for different classes of betting and sweepstakes.

Clause 4 amends section 4 so that the rate and basis of sports betting duty may be prescribed by the Minister under section 3(3) and to make other consequential amendments.

Clause 5 amends section 5 by deleting the reference to racing club or association.

Clause 6(a) makes a technical amendment to section 6(1)(b)(iii).

Clause 6(b) empowers the Minister to prescribe other particulars to be included in a statement referred to in section 6(1)(b).

Clause 6(c) empowers the Minister to prescribe the time for delivery of such a statement and the time for payment of the duty so chargeable.

Clause 7 amends section 7 to make the provision on production of documents apply to exempt organisations specified under section 3(1) or (2) or 4(1).

Clause 8 amends section 9 to make that section (which provides for sweepstakes to be open to the public) apply to exempt organisations specified by order under section 3(2).

Clause 9 inserts a new section 11 to provide for the composition of offences under section 10.

Clause 10, which is consequential upon the amendment in clause 2, amends sections 6, 7 and 10.

Clause 11 makes related amendments to the Singapore Totalisator Board Act (Cap. 305A). Clause 11(a) inserts a new section 9B in that Act relating to the powers of the Singapore Totalisator Board (the Board) to raise loans. Clause 11(b) amends section 12 of that Act to give the Minister greater flexibility in prescribing by regulations either the amount of commission, or the manner of determining the commission, that the Board may charge in respect of operating a totalisator under an approved scheme under the Act. The Minister may, for example, allow the Board to determine the amount of the commission.

## EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.

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