



End commercial horse racing	
Party:	Australian Greens
Summary of proposal: The proposal would introduce a temporary 1% betting levy to fund the transition from commercial horse racing.	
Additional information (based on further advice provided): The levy would be on all betting turnover related to commercial horse racing for 2 years, from 1 July 2025 to 30 June 2027.	

Costing overview

The proposal would be expected to increase the fiscal and underlying cash balances by around \$583.2 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in administered revenue.

The departmental expenses associated with this proposal cover the costs of updating existing IT systems and business activity forms within the Australian Taxation Office (ATO), as well as additional ongoing resourcing for monitoring and compliance.

The proposal would not be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

Table 1: End commercial horse racing – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	261.8	296.8	24.8	-0.2	583.2
Underlying cash balance	261.8	296.8	24.8	-0.2	583.2

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

Key assumptions

The Parliamentary Budget Office (PBO) has made the following assumptions in costing this proposal.

- the levy would be passed through to consumers in full
- additional resourcing would be required within the Australian Taxation Office (ATO) to implement and monitor the proposal
- the levy would not have a material impact on the total value of thoroughbred wagering turnover
- the total value of thoroughbred wagering turnover would grow at 4% per annum.

- affected businesses would report and pay the levy monthly via the business activity statement
- the levy would be deductible for the purpose of calculating gambling sales margins for GST.

Methodology

The levy revenue is calculated by multiplying the estimated total value of thoroughbred wagering turnover by the proposed levy rate. The estimates consider the timing of receipts.

Departmental costs were estimated based on similar programs administered by the ATO.

Financial implications were rounded consistent with the PBO's rounding rules¹.

Data sources

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025*, Commonwealth of Australia.

Racing Australia (2024) [Fact Book 2024 – Racing Season Ended 31 July 2024](#), Racing Australia, accessed 18 May 2025.

Racing Australia (2023) [Fact Book 2023 – Racing Season Ended 31 July 2023](#), Racing Australia, accessed 18 May 2025.

¹ <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Attachment A – End commercial horse racing – Financial implications

Table A1: End commercial horse racing – Fiscal and underlying cash balances (\$m)^(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Revenue													
<i>Wagering Levy</i>	263.0	297.0	25.0	-	-	-	-	-	-	-	-	585.0	585.0
Total – revenue	263.0	297.0	25.0	-	-	-	-	-	-	-	-	585.0	585.0
Expenses													
Departmental													
<i>Australian Taxation Office</i>	-1.2	-0.2	-0.2	-0.2	-	-	-	-	-	-	-	-1.8	-1.8
Total – expenses	-1.2	-0.2	-0.2	-0.2	-	-	-	-	-	-	-	-1.8	-1.8
Total (excluding PDI)	261.8	296.8	24.8	-0.2	-	-	-	-	-	-	-	583.2	583.2

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table A2: End commercial horse racing – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Fiscal balance	5.8	18.4	26.4	28.1	29.3	30.6	32.0	33.5	35.0	36.6	38.4	78.7	314.1
Underlying cash balance	4.4	15.3	24.4	27.7	29.0	30.3	31.7	33.1	34.6	36.2	38.0	71.8	304.7

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary.²

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

² [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au)