

# Supplementary Departmental Disclosure Statement

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## Online Casino Gambling Bill – Amendment Paper

A supplementary departmental disclosure statement for a Bill the government is proposing to amend presents information to support and enhance the Parliamentary and public scrutiny of that Bill in amended form.

It highlights material changes to previous disclosures relating to:

- the general policy intent of the Bill and other background policy material;
- some of the key quality assurance products and processes used to develop and test the content of the Bill;
- the presence of certain significant powers or features in the Bill that might be of particular Parliamentary or public interest and warrant an explanation.

The original disclosure statement for the Online Casino Gambling Bill, dated 18 June 2025, can be found at this link <https://disclosure.legislation.govt.nz/bill/government/2025/178>

This supplementary disclosure statement was prepared by the Department of Internal Affairs and addresses the proposed changes to the Bill included in the Amendment Paper.

The Department of Internal Affairs certifies that, to the best of its knowledge and understanding, the information provided is complete and accurate at the date of finalisation below.

17 February 2026.

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## **The Main Areas of Change to the Original Disclosures**

This is a supplementary disclosure statement for the Online Casino Gambling Bill.

A supplementary disclosure statement supplements the original disclosure statement for the Bill by reporting the additions and changes that would need to be made to the original disclosure statement to accurately reflect the Bill with the proposed government amendments incorporated.

It does not address the changes made to the Bill as reported back from the Select Committee.

The main areas of change to the original disclosure statement made by the Amendment Paper include enabling the Lottery Grants Board to receive and distribute the portion of the Online Gambling Duty funding made available for community returns.

## Part One: General Policy Statement

The Amendment paper will provide a more flexible and less administratively complex means of enabling the distribution of a portion of Online Gambling Duty to the community through the Lottery Grants Board than the current provisions in the Bill.

The Amendment Paper enables the Lottery Grants Board to receive and distribute the portion of the Online Gambling Duty funding made available for community returns.

It does this by requiring that the Secretary of Internal Affairs must pay, into an account opened under section 286 of the Gambling Act 2003, an amount that is appropriated or otherwise authorised by an Act.

This amount is calculated as a percentage of the online gambling duty that is paid, or is estimated to have been paid, to the Crown under section 12U of the Gaming Duties Act 1971 in the previous financial year.

The amount would then be available for allocation and distribution for community purposes by the Lottery Grants Board under Part 3 of the Gambling Act 2003, in the same way as the profits of New Zealand lotteries.

The Amendment Paper's provisions replace the existing requirement in the Bill for the Commissioner of Inland Revenue to pay 25% of online gambling duty into an account opened under section 286 of the Gambling Act 2003.

Under the Gambling Act 2003, the Lottery Grant's Board's function is to distribute the profits made from New Zealand lotteries for the benefit of New Zealand communities. The Amendment Paper will:

- Provide a new function for the Board to allocate online gambling duty funding;
- Enable the Board's current distribution purposes to apply to online gambling duty funding;
- Enable the Board to allocate and distribute funds and consider applications for assistance from any relevant appropriation in a similar manner to that provided for New Zealand Lotteries profits;
- Enable any distribution committee dealing with online gambling duty funding to approve the payment of subsidies, the making of loans to local authorities or organisations approved by the Board, or to the variation, cancellation or discharge of a subsidy or loan;
- Enable the Secretary for Internal Affairs, subject to any directions from the Board, to invest any amounts received from online gambling duty funding in a manner that keeps the funds separate from any amount deemed to be profits from New Zealand lotteries;
- Enable the Minister of Internal Affairs to approve amounts to be paid out of the undistributed online gambling duty funding for the same purposes currently available for undistributed profits of New Zealand lotteries in section 289(a) to (c) of the Gambling Act;
- Extend the audit, reporting and Board remuneration provisions of the Act to encompass funding from online gambling duty funding.

## Part Two: Background Material and Policy Information

### Published reviews or evaluations

<b>2.1. Are there any publicly available inquiry, review or evaluation reports that have informed, or are relevant to, the policy to be given effect by this Bill?</b>	<b>NO</b>

### Relevant international treaties

<b>2.2. Does this Bill seek to give effect to New Zealand action in relation to an international treaty?</b>	<b>NO</b>

### Regulatory impact analysis

<b>2.3. Were any regulatory impact statements provided to inform the policy decisions that led to this Bill?</b>	<b>YES</b>
Supplementary Analysis Report: Online Casino Gambling Community Returns, was completed by the Department of Internal Affairs on 7 November 2025 It is available here: <a href="#">Proactive-release-community-returns-distribution-mechanism-December-2025.pdf</a> Two Regulatory Impact Assessments dated 18 July 2024 and 30 October 2024 were prepared by the Department of Internal Affairs accompanying the policy decisions taken by Cabinet in 2024 These can be found on the Department of Internal Affairs website at the following URL: <a href="https://www.dia.govt.nz/diawebsite.nsf/Files/Proactive-Releases-2024-25/\$file/Cabinet-material-on-Online-Casino-Gambling-Phase-2-Decisions-13-Dec-24.pdf">https://www.dia.govt.nz/diawebsite.nsf/Files/Proactive-Releases-2024-25/\$file/Cabinet-material-on-Online-Casino-Gambling-Phase-2-Decisions-13-Dec-24.pdf</a>	

<b>2.3.1. If so, did the Ministry for Regulation provide an independent opinion on the quality of any of these regulatory impact statements?</b>	<b>NO</b>
Quality assurance of the Supplementary Analysis Report was delegated to, and undertaken by, the Department of Internal Affairs.	

<b>2.3.2. Are there aspects of the policy to be given effect by this Bill that were not addressed by, or that now vary materially from, the policy options analysed in these regulatory impact statements?</b>	<b>NO</b>
The Amendment Paper reflects the policy intent addressed in the Supplementary Analysis Report	

## Extent of impact analysis available

<b>2.4. Has further impact analysis become available for any aspects of the policy to be given effect by this Bill?</b>	<b>NO</b>
<b>2.5. For the policy to be given effect by this Bill, is there analysis available on:</b>	
<b>(a) the size of the potential costs and benefits?</b>	<b>YES</b>
<b>(b) the potential for any group of persons to suffer a substantial unavoidable loss of income or wealth?</b>	<b>YES</b>

Both are covered as part of the Supplementary Analysis Report dated 7 November 2025

<b>2.6. For the policy to be given effect by this Bill, are the potential costs or benefits likely to be affected by:</b>	
<b>(a) the level of effective compliance or non-compliance with applicable obligations or standards?</b>	<b>YES</b>
<b>(b) the nature and level of regulator effort put into encouraging or securing compliance?</b>	<b>YES</b>
Both are covered as part of the Supplementary Analysis Report dated 7 November 2025	

## Part Three: Testing of Legislative Content

### Consistency with New Zealand's international obligations

<b>3.1. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with New Zealand's international obligations?</b>
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Previous policy development included consultation with the Ministry of Foreign Affairs and Trade (MFAT) to ensure that New Zealand's obligations under various trade agreements are taken into account in the design of the legislation, particularly the licensing regime. MFAT have advised that the Bill is consistent with our obligations under Australia New Zealand Closer Economic Relations Services Protocol (CER). Under CER, New Zealand must provide Australian gambling service providers treatment and access rights no less favourable than those provided to New Zealand providers.

The amendments proposed in the Amendment Paper are consistent with these obligations.

### Consistency with the government's Treaty of Waitangi obligations

<b>3.2. What steps have been taken to determine whether the policy to be given effect by this Bill is consistent with the principles of the Treaty of Waitangi?</b>
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The July 2024 Cabinet paper included a population implications assessment. Additional proposals agreed to by Cabinet did not change this assessment. The drafting of the Bill was based on these decisions and a separate assessment has not been undertaken.

The original population implications assessment can be found at: [https://www.dia.govt.nz/diawebsite.nsf/Files/Proactive-releases-2024/\\$file/Cabinet-Material-on-design-of-the-online-casino-gambling.pdf](https://www.dia.govt.nz/diawebsite.nsf/Files/Proactive-releases-2024/$file/Cabinet-Material-on-design-of-the-online-casino-gambling.pdf)

### Consistency with the New Zealand Bill of Rights Act 1990

<b>3.3. Has advice been provided to the Attorney-General on whether any provisions of this Bill appear to limit any of the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990?</b>
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NO

### Offences, penalties and court jurisdictions

<b>3.4. Does this Bill create, amend, or remove:</b>	
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<b>(a) offences or penalties (including infringement offences or penalties and civil pecuniary penalty regimes)?</b>	NO
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<b>(b) the jurisdiction of a court or tribunal (including rights to judicial review or rights of appeal)?</b>	NO
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### Privacy issues

<b>3.5. Does this Bill create, amend or remove any provisions relating to the collection, storage, access to, correction of, use or disclosure of personal information?</b>
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NO

### External consultation

<b>3.6. Has there been any external consultation on the policy to be given effect by this Bill, or on a draft of this Bill?</b>	<b>NO</b>
<p>The original Bill was subject to targeted engagement and Select Committee consideration which included receipt and hearing of public submissions.</p> <p>The Amendment Paper that is the subject of this Disclosure Statement responds to the submissions made by a wide range of sporting and community groups during the Select Committee's consideration of the Bill.</p>	

### Other testing of proposals

<b>3.7. Have the policy details to be given effect by this Bill been otherwise tested or assessed in any way to ensure the Bill's provisions are workable and complete?</b>	<b>YES</b>
<p>The Department has consulted with the Treasury and Inland Revenue to ensure the Amendment Paper's provisions are workable and complete.</p>	

## Part Four: Significant Legislative Features

### Compulsory acquisition of private property

<b>4.1. Does this Bill contain any provisions that could result in the compulsory acquisition of private property?</b>	<b>NO</b>

### Charges in the nature of a tax

<b>4.2. Does this Bill create or amend a power to impose a fee, levy or charge in the nature of a tax?</b>	<b>YES</b>
The Amendment Paper provides greater flexibility to amend the portion of Online Gambling Duty made available for community returns. It enables the portion of the Duty designated for community returns to be updated through the annual budget appropriation process.	

### Retrospective effect

<b>4.3. Does this Bill affect rights, freedoms, or impose obligations, retrospectively?</b>	<b>NO</b>

### Strict liability or reversal of the burden of proof for offences

<b>4.4. Does this Bill:</b>	
<b>(a) create or amend a strict or absolute liability offence?</b>	<b>NO</b>
<b>(b) reverse or modify the usual burden of proof for an offence or a civil pecuniary penalty proceeding?</b>	<b>NO</b>

### Civil or criminal immunity

<b>4.5. Does this Bill create or amend a civil or criminal immunity for any person?</b>	<b>NO</b>

### Significant decision-making powers

<b>4.6. Does this Bill create or amend a decision-making power to make a determination about a person's rights, obligations, or interests protected or recognised by law, and that could have a significant impact on those rights, obligations, or interests?</b>	<b>NO</b>

### Powers to make delegated legislation

<b>4.7. Does this Bill create or amend a power to make delegated legislation that could amend an Act, define the meaning of a term in an Act, or grant an exemption from an Act or delegated legislation?</b>	<b>NO</b>

<b>4.8. Does this Bill create or amend any other powers to make delegated legislation?</b>	<b>NO</b>

### Any other unusual provisions or features

<b>4.9. Does this Bill contain any provisions (other than those noted above) that are unusual or call for special comment?</b>	<b>NO</b>