



29 November 2018

OFFICIAL NOTICE

AMENDMENT TO CENTRALISED STAKES PAYMENT SCHEME & DRIVERS FEE REGULATIONS

On 22 November 2018, the Harness Racing New Zealand Special Committee approved amendments to the Centralised Stakes Payment Scheme Regulation and Drivers Fee Regulation, effective immediately.

The previous Trainers Fees – Winning Percentage Regulation has been deleted with the relevant clauses now included within the Centralised Stakes Payment Scheme Regulation.

The amendments were made for consistency with owners and drivers payments in the Centralised Stakes Payments processing.

The Centralised Stakes Payment Scheme and Drivers Fee Regulations, as amended, are **attached**.

Edward Rennell
CHIEF EXECUTIVE

CENTRALISED STAKES PAYMENT SCHEME REGULATIONS 2018

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1. NAME AND COMMENCEMENT

- 1.1 These regulations are the Centralised Stakes Payment Scheme Regulations made by the Board under the New Zealand Rules of Harness Racing and clause 14.4 of the Constitution of Harness Racing New Zealand Incorporated.
- 1.2 These regulations come into force on 22 November 2018 and apply to stakes payments processed from that date.

2. OBJECT AND PURPOSE

- 2.2 The object and purpose of these regulations is to provide for the centralised payment of the owners, trainers and drivers percentage of the stake credited to the horse in a race.

3. INTERPRETATION

- 3.1 In these regulations, unless the context otherwise requires:

betting race shall have the same meaning as provided in the Racing Act 2003.

club has the same meaning provided in clause 2.1 of the Constitution of HRNZ.

entity number means the customer number which identifies each owner or group of owners as a unique entity for all horses owned or leased by the owner or group of owners.

GST means tax payable under the Goods and Services Tax Act 1985 or any Act passed in substitution of that Act.

HRNZ means Harness Racing New Zealand Incorporated.

owner includes where applicable a lessee or racing manager

the owner's contact unless indicated otherwise means the first person named as an owner in an application for registration, transfer or joint interest.

stake means the total stake or prize money to be credited to a horse in a race but does not include any cup, trophy, other prize, and the value of any award or right.

4. OWNERS, TRAINERS, AND DRIVERS PERCENTAGE OF STAKES

- 4.1 All stakes shall be advertised as exclusive of GST.
- 4.2 When the stake to be credited to a horse which is placed in the first five finishing places is \$250.00 or more the:
 - 4.2.1 owner's percentage of the stake is 85 per cent;
 - 4.2.2 trainer's percentage of the stake is 10 per cent; and

- 4.2.3 driver's percentage of the stake is five per cent.
- 4.3 A trainer or driver may notify the Club, or HRNZ on behalf of the Club, that they are electing to provide their services to the Club as a trainer or driver (or as both a trainer and driver if applicable) of a horse for nil consideration. Where such a notification has been given the owner's percentage of the stake is:
- 4.3.1 95 per cent where the trainer has notified to the Club, or to HRNZ on behalf of the Club;
- 4.3.2 90 per cent where the driver has notified to the Club, or to HRNZ on behalf of the Club; and
- 4.3.3 100 per cent, where both the trainer and driver have notified to the Club, or to HRNZ on behalf of the Club.
- 4.4 The owner's percentage shall be 100 per cent if clause 4.2, 4.3.1, and 4.3.2 does not apply.
- 4.5 A Club, or HRNZ on behalf of a Club, shall pay to the owner, trainer, and driver their percentage of the stake.
- 4.6 Clause 4.5 shall not apply where:
- 4.6.1 Rule 881(1) applies, which relates to the withhold of stakes pending the results of analysis of examination or samples taken from a horse;
- 4.6.2 Rule 881(2) applies, which relates to the Chief Executive advice to withhold stakes and racing judicial proceedings which may affect to whom the stake is payable; or
- 4.6.3 Where an owner notifies HRNZ in writing of a dispute as to matters the subject of these Regulations, all stakes shall be held by HRNZ pending receipt of written notification of the resolution of the dispute.

5. GOODS AND SERVICES TAX

- 5.1 An owner, trainer, or driver who is registered under the Goods and Services Tax Act 1985, shall within three working days after becoming registered notify HRNZ of such registration and of their Goods and Services Tax registration number.
- 5.2 An owner, trainer, or driver who ceases to be registered under the Goods and Services Tax Act 1985 shall within three days of ceasing to be so registered notify HRNZ.
- 5.3 When HRNZ is notified an owner, trainer, or driver is registered under the Goods and Services Tax Act 1985 the payment under clause 4.4 shall be calculated plus any applicable GST.
- 5.4 When HRNZ is not notified an owner, trainer, or driver is registered under the Goods and Services Tax Act 1985, or notifies they have ceased to be so registered, the payment shall be deemed to be GST inclusive and shall not be subject to GST.
- 5.5 When a Club, or HRNZ on behalf of and in the name of the Club, issues any tax invoice, credit note, or debit note required under the Goods and Services Tax Act 1985 in respect of a supply made to it by a GST registered owner, trainer or driver then it shall have the words "buyer created tax invoice – IRD approved" contained in a prominent place on that document.

- 5.6 An owner, trainer, or driver who is a person registered under the Goods and Services Tax Act 1985 shall not issue a tax invoice, credit note, or debit note in respect of any amount payable to him or her pursuant to these regulations as a result of a stake credited by a Club. The Club, or HRNZ on behalf of a Club, shall be deemed to agree that the owner, trainer, or driver shall not issue a tax invoice, credit note, or debit note to it in respect of any such amount.

6. DEDUCTIONS

- 6.1 A Club or HRNZ may deduct from any payment required to be made to an owner, trainer or driver under this Regulation any:
- 6.1.1 amount which the Club, or HRNZ on behalf of a Club, is legally obliged to deduct for tax;
 - 6.1.2 unpaid fees;
 - 6.1.3 unpaid fines, costs, or other penalty or sanction payable under the Rules;
 - 6.1.4 other amount payable by the owner, trainer, or driver under the Rules, to HRNZ, or a Club in connection with any of its activities or operations if, and to the extent, that any such amount is outstanding; and
 - 6.1.5 other deductions or set-offs authorised by the owner's contact, trainer, or driver in writing

7. PAYMENTS

- 7.1 On qualification of a horse, or on the registration of a transfer or joint interest of a horse that has qualified, the owner's contact shall nominate a New Zealand bank account (the Nominated Bank Account) to which any stakes payable under these Regulations shall be transferred.
- 7.2 The details of the owner's contact may be changed at any time electronically, or by notice in writing on the prescribed form signed by the owner's contact.
- 7.3 If all the owners included in the entity nominate electronically or in writing that their individual share of the stakes be transferred to their individual nominated New Zealand bank account, the payments will be divided between the owners according to the percentage recorded in the horse's ownership or lease papers and be paid accordingly.
- 7.4 Every trainer and driver shall nominate a New Zealand bank account (the Nominated Bank Account) to which payments under this Regulation shall be transferred.
- 7.5 The details of a Nominated Bank Account in clause 7.1 or 7.4, or the individual nominated bank account referred to in clause 7.3, may be changed at any time electronically, or by notice in writing on the prescribed form.
- 7.6 All payments of stakes by a Club, or by HRNZ on behalf of a Club, shall be by way of direct credit transfer to the Nominated Bank Account unless clause 7.3 applies.
- 7.7 Where the owner's contact does not provide a Nominated Bank Account under clause 7.1, each owners does not provide an individual nominated bank account under clause 7.3, or a trainer or driver does not provide a Nominated Bank Account under clause 7.4 the Club, or HRNZ on behalf of the Club, must withhold the direct credit transfer of stakes until such details are provided to the satisfaction of the Club, or HRNZ on behalf of the Club.
- 7.8 In the event of a payment being made by a Club, or HRNZ on behalf of a Club, to a person who is not entitled to it such person shall immediately return the amount of that payment to the Club, or HRNZ on behalf of the Club. Any failure to do so is a Serious Racing Offence.

DRIVERS FEE REGULATIONS 2018

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1. NAME AND COMMENCEMENT

- 1.1 These regulations are the Drivers Fee Regulations 2018 made by the Board under the New Zealand Rules of Harness Racing and clause 14.4 of the Constitution of Harness Racing New Zealand Incorporated.
- 1.2 These regulations come into force on 22 November 2018.

2. OBJECT AND PURPOSE

- 2.1 These regulations provide the minimum driving fees payable to drivers.

3. INTERPRETATION

- 3.1 In these regulations, unless the context otherwise requires:
 - betting race** shall have the same meaning as provided in the Racing Act 2003.
 - club has** the same meaning provided in clause 2.1 of the Constitution of HRNZ.
 - GST** means tax payable under the Goods and Services Tax Act 1985 or any Act passed in substitution of that Act.
 - HRNZ** means Harness Racing New Zealand Incorporated.

4. DRIVING FEE

- 4.1 A driver shall be paid \$85.00 for each drive in a betting race.
- 4.2 Where a horse is scratched after the right of re-entry time the last driver notified under the Notification of Drivers Regulations shall be paid the sum in clause 4.1 unless the horse is accepted and races in another race at the race meeting.
- 4.3 A driver shall be paid \$10.00 for each drive at a trials meeting.
- 4.4 A driver may advise the Club, or HRNZ on behalf of the club, before the race meeting that they are not to be paid a driving fee.

5. GOODS AND SERVICES TAX

- 5.1 A driver who is registered under the Goods and Services Tax Act 1985, shall within three working days after becoming registered notify HRNZ of such registration and of their Goods and Services Tax registration number.
- 5.2 A driver who ceases to be registered under the Goods and Services Tax Act 1985 shall within three days of ceasing to be so registered notify HRNZ.

- 5.3 When HRNZ is notified a driver is registered under the Goods and Services Tax Act 1985 the payment shall be calculated as plus any applicable GST.
- 5.4 When HRNZ is not notified a driver is registered under the Goods and Services Tax Act 1985, or notifies they have ceased to be so registered, the payment shall be deemed to be GST inclusive and shall not be subject to GST.
- 5.5 A Club, or HRNZ on behalf of and in the name of the Club, shall issue any tax invoice, credit note, or debit note required under the Goods and Services Tax Act 1985.
- 5.6 A Club, or HRNZ on behalf of and in the name of the Club, shall issue any tax invoice, credit note, or debit note required under the Goods and Services Tax Act 1985 which shall have the words "buyer created tax invoice – IRD approved" contained in a prominent place on that document.
- 5.7 A driver who is a person registered under the Goods and Services Tax Act 1985 shall not issue a tax invoice, credit note, or debit note in respect of any amount payable to him or her pursuant to these regulations as a result of a stake credited by a Club. The Club, or HRNZ on behalf of a Club, shall be deemed to agree that the driver shall not issue a tax invoice, credit note, or debit note to it in respect of any such amount.

6. DEDUCTIONS

- 6.1 A Club or HRNZ may deduct from any payment required to be made to a driver under this Regulation:
 - 6.1.1 any amount which the Club, or HRNZ on behalf of a Club, is legally obliged to deduct for tax;
 - 6.1.2 any penalty or fine imposed on the driver by the Judicial Committee officiating at the race meeting in respect of which the payment is being made; and
 - 6.1.3 any other amount payable by the driver under the Rules or to HRNZ or a Club in connection with any of its activities or operations if, and to the extent, that any such amount is outstanding.

7. PAYMENTS

- 7.1 Every driver shall nominate a New Zealand bank account (the Nominated Bank Account) to which any payments to the driver under this Regulation (and the Centralised Payment Scheme Regulations 2018) shall be transferred.
- 7.2 The details of the Nominated Bank Account may be changed at any time electronically, or by notice in writing on the prescribed form.
- 7.3 Payment will be made by direct credit to the driver's nominated bank account.
- 7.4 In the event of a payment being made by a Club, or HRNZ on behalf of a Club, to a person who is not entitled to it such person shall immediately return the amount of that payment to the Club, or HRNZ on behalf of the Club. Any failure to do so is a Serious Racing Offence.