

THE SIKKIM ONLINE GAMING & SPORTS GAMING (REGULATION) (AMENDMENT) BILL, 2022
(BILL No 18 of 2022)

A
BILL

Further to amend the Sikkim Online Gaming & Sports Gaming (Regulation) Act, 2008.

Be it enacted by the Legislature of Sikkim in the Seventy-Third Year of the Republic of India as follows:-

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| Short title and Commencement | 1. | (1) This Act may be called the Sikkim Online Gaming & Sports Gaming (Regulation) (Amendment) Act, 2022.
(2) It shall come into force on Date of publication in the official Gazette. |
| Amendment of Section 2 | 2. | In the Sikkim Online Gaming & Sports Gaming (Regulation) Act, 2008 (hereinafter referred to as the "principal Act"), in section 2, clause (g) shall be omitted. |
| Amendment of sub section (h) to (q) of Section 2 | 3. | In the principal Act, clauses (h) to (q) shall be amended and shall be read as Clauses (g) to (p) respectively. |
| Amendment of sub section (1) of Section 5 | 4. | In the principal Act Section 5(1) of the Act, the figure and word "5 years" shall be substituted by the figure and word "1 year". |
| Amendment of Section 6 | 5. | In the principal Act, in section 6:-
(1) Sub-section (2) shall be omitted
(2) For sub-section (3), the following shall be substituted, namely:-
"(3) The licensee shall pay to the State Government an Annual License renewal fee of such amount and at such intervals as may be prescribed but not later than one year from the date on which the license was specified."
(3) In the Act, sub section (3) shall be read as sub-section (2). |

STATEMENT OF OBJECTS AND REASONS

With the passing of the One Hundred and first Amendment Act to the Constitution, 2016 certain amendments have been made to the seventh schedule of the Constitution. Prior to the amendment it was within the province of the State Legislature to enact a law permitting collection of taxes on luxuries which included entertainments, amusements, betting and gambling. However after the constitutional amendment of the year 2016, now the State Legislature is allowed to enact law permitting collection of taxes only on *entertainments and amusements*.

The words "Luxuries", "betting" and "gambling" have been deliberately taken out of the purview of the item No: 62. Thus the State Legislature is no longer entitled to provide any law proposing taxation on "luxuries", "betting" and "gambling". In the absence of the three words from the Seventh Schedule by the above amendment, any law on those subjects now can be enacted only by the Parliament in terms of item 97 of list I of the Seventh Schedule of the Constitution.

Since with the passage of this amendment the State Exchequer will lose revenue from online gaming and sports gaming, therefore, certain amendments have been initiated in the Sikkim Online Gaming and Sports Gaming (Regulation) Act, 2008 to subsume the Gaming Fees of Online gaming firms under Annual License Fee.

With this object in view, the Bill for the amendment of the Sikkim Online Gaming and Sports Gaming (Regulation) Act, 2008 has been framed.



(P.S. TAMANG)
MINISTER-IN-CHARGE
FINANCE DEPARTMENT

MEMORANDUM REGARDING DELEGATED LEGISLATION

NIL

FINANCIAL MEMORANDUM

NIL


ADDITIONAL CHIEF SECRETARY
FINANCE DEPARTMENT