



## Digital Games Tax Offset

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- <https://www.ato.gov.au/General/New-legislation/In-detail/Direct-taxes/Income-tax-for-businesses/Digital-Games-Tax-Offset/>
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## Digital Games Tax Offset

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The Australian Government has introduced legislation to establish a Digital Games Tax Offset.

On 23 November 2022, the government introduced legislation to establish a Digital Games Tax Offset (DGTO). The legislation forms part of the *Treasury Laws Amendment (2022 Measures No. 4) Bill 2022*.

The DGTO provides eligible game developers with a 30% refundable tax offset for qualifying Australian development expenditure from 1 July 2022.

It will be available for completion, ongoing development, or porting of digital games, subject to:

- eligibility criteria set out in Division 378 of the *Income Tax Assessment Act 1997*, including certification by the Arts Minister
- at least \$500,000 of qualifying expenditure.

The offset is capped at \$20 million per company (or group of companies that are connected or affiliated) per income year. Reaching this cap would require approximately \$66.7 million in eligible expenditure.

Applicants must be companies that are either:

- Australian tax residents, or
- foreign tax residents with a permanent establishment in Australia.

For more information, see:

- [Treasury Laws Amendment \(2022 Measures No. 4\) Bill 2022](#)<sup>EQ</sup>
- [Consultation: Digital Games Tax Offset](#)<sup>EQ</sup>
- [Introducing: Digital Games Tax Offset](#)<sup>EQ</sup>

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