



## **THE HON PAUL FLETCHER MP**

Minister for Communications, Urban Infrastructure, Cities and the Arts

## **SENATOR THE HON JANE HUME**

Minister for Superannuation, Financial Services and the Digital Economy  
Minister for Women's Economic Security  
Senator for Victoria

### **JOINT MEDIA RELEASE**

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### **\$19.6 million extra to back in our games developers**

The Morrison Government will provide an additional \$19.6 million over two years from 2023-24 to expand the Digital Games Tax Offset to include ongoing development work—known as ‘live ops’—on digital games following their public release.

The initiative, announced in today's Mid-Year Economic and Fiscal Outlook, is part of the Government's Digital Economy Strategy that aims to establish Australia as a leading digital economy and society by 2030.

As part of the Digital Economy Strategy, in May 2021 the Government announced a 30 per cent refundable tax offset for eligible businesses that spend a minimum of \$500,000 on qualifying Australian development expenditure from 1 July 2022.

Minister for Communications, Urban Infrastructure, Cities and the Arts, the Hon Paul Fletcher MP, said expanding the offset will make Australia a more attractive and competitive destination for international digital games development, supporting investment and highly-skilled, transferable jobs.

“The global digital games industry is worth approximately AU\$250 billion, which is why it's critical that we promote the growth of Australia's digital games development industry and increase its market share in a rapidly expanding global sector,” Minister Fletcher said.

“Expanding activity eligible for a 30 per cent refundable tax offset will enable our local interactive entertainment sector to expand and foster skilled employment in an area in which significant numbers of young Australians are seeking to work.”

“This additional investment recognises that a lot of valuable and highly skilled work in the industry is devoted to the ongoing development of games, after their initial release.”

Senator the Hon Jane Hume, Minister for Superannuation, Financial Services and the Digital Economy and Minister for Women's Economy Security, noted the tax offset is one of a number of key initiatives aimed at growing a dynamic and emerging tech sector and being a leading digital economy and society by 2030.

“By building capability in emerging technologies and accelerating the growth of digital tech

businesses such as digital games we can drive an uplift in the rest of the economy,” Senator Hume said.

“The Australian Government is investing in these transferable digital capabilities to grow our domestic pool of digital talent, support a growing Australian industry and make Australia an attractive destination for international investment.”

The potential benefits to the Australian economy through digitalisation have been estimated to be as much as \$315 billion over the next decade, with the potential to create up to a quarter of a million new jobs by 2025.

As announced in the 2021-22 Budget, the Offset will be available from 1 July 2022 to Australian resident companies or foreign resident companies with a permanent establishment in Australia. The Government intends to release draft legislation in the first quarter of 2022 for comment.

This latest investment builds on the Government’s \$18.8 million commitment towards the Digital Games Tax Offset over four years from 2021-22.

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