



## COVERSHEET

<b>Minister</b>	Hon Ginny Andersen	<b>Portfolio</b>	Digital Economy and Communications
<b>Title of Cabinet paper</b>	Approving the Game Development Sector Rebate design features	<b>Date to be published</b>	1 November 2023

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
5 May 2023	Approving the game development rebate design features	Office of the Minister for the Digital Economy and Communications
30 August 2023	Game Development Sector Rebate: Design Features DEV-23-MIN-0205 Minute	Cabinet Office

### **Information redacted**

**YES / NO** (please select)

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reasons of constitutional conventions, commercial information, and free and frank opinions.

The Game Development Sector Design Features document is available at [Game Development Sector Rebate scheme | NZ On Air](#)



# Cabinet Economic Development Committee

## Minute of Decision

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*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

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### Game Development Sector Rebate: Design Features

**Portfolio**                      **Digital Economy and Communications**

On 30 August 2023, the Cabinet Economic Development Committee (DEV), having been authorised by Cabinet to have Power to Act [CAB-23-MIN-0409]:

#### Background

- 1        **noted** that a rebate scheme for the game development sector was included in the Budget 2023 package, with funding of \$40.000 million per annum plus \$0.500 million in financial year 23/24 for capital expenditure;
- 2        **noted** that in May 2023, DEV approved a two-step consultation on the detailed design of the game development sector rebate, and noted that the final scheme design would be submitted for Cabinet approval in August 2023 [DEV-23-MIN-0078];
- 3        **noted** that consultation took place from late-May to early-July 2023;

#### Final design features

- 4        **noted** that the key parameters of the rebate remain unchanged, with a rate of 20 percent, a per firm per annum cap of \$3 million, and a minimum qualifying expenditure threshold of \$250,000;
- 5        **noted** that a pilot application phase has been included for year one of the scheme's operation, in response to Ministerial discussions, but that no other substantive changes were required to the detailed design of the rebate, including its eligibility criteria, as a result of the consultation;
- 6        **agreed** to the publication of the document *Game Development Sector Rebate – Design Features*, attached to the submission under DEV-23-SUB-0205, which sets out the final design features for the rebate;
- 7        **noted** that the Ministry of Business, Innovation and Employment will review the scheme after two years to gauge uptake and early impact, and will undertake a review by 30 September 2027 to assess whether the scheme provides net benefits to New Zealand and whether modifications should be pursued;

## Approach to underspend

8 **noted** the public consultation highlighted that sector growth will imply greater calls on the rebate funding over time, though there may be some underspend in the first years of scheme operation;

9 Constitutional conventions

## Implementation

10 **noted** that NZ On Air, as the delivery agent for the rebate, is developing detailed timelines and strategies to effectively put the fund into operation, including the pilot application phase for year one;

## Communication

11 **noted** that the Minister for the Digital Economy and Communications will inform the sector of the final rebate design features, and that NZ On Air will make the *Game Development Sector Rebate – Design Features* document available.

Janine Harvey  
Committee Secretary

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### Present:

Hon Grant Robertson (Chair)  
Hon Dr Ayesha Verrall  
Hon Andrew Little  
Hon David Parker  
Hon Peeni Henare  
Hon Kieran McAnulty  
Hon Dr Duncan Webb  
Hon Jo Luxton  
Hon Rachel Brooking

### Officials present from:

Office of the Prime Minister  
Officials Committee for DEV