

230. In some sense, the income-tax paid by it is an indication of the needs of each club by way of amenities, in that those which enjoy a limited income do not need as extensive or as expensive amenities as those which enjoy a larger income. As at this point of time it is impossible to forecast what the future cost of building will be, the whole topic can only be dealt with subjectively by us. What we suggest is that relief from taxation be extended to each club until it has accumulated a fund which may reasonably be regarded as sufficient to enable it to provide or finance with reasonable comfort the amenities which it should provide. The stabilization of stakes which we recommend will go some distance in relieving the clubs of the necessity to accumulate reserves for at least one purpose which has influenced their financial policy in the past.

231. It may be that relief may, in particular instances, be needed to assist in the discharge of obligations already incurred in the provision of amenities, for it would be unfair to refuse relief to clubs which have been progressive and have shown a proper sense of responsibility to the public.

232. We feel some confidence in making the recommendation we do from the fact that the expenditure of clubs, if our recommendations are given effect, is to be made the subject of control by the Racing Advisory Board which we recommend should be established. The operations of that Board will preclude the possibility of unwarranted expenditure and the preservation of only such funds as may be necessary to meet proper potential obligations. The Board can therefore hold the scales evenly between the clubs and the tax authorities.

233. We do not recommend any remission of land-tax. On principle that tax should be paid, and no reason for exemption was advanced.
