

Basketball Development Levy Q+A

In 2025, Basketball New Zealand (BBNZ) is proposing to change the Association membership model to incentivise and reward Associations for ongoing membership growth.

As stewards of the game in New Zealand, we play a leading role for everyone involved by ensuring basketball is accessible to New Zealanders of all ages, genders, abilities, backgrounds, and skill levels.

We are a not-for-profit organisation, responsible for the governance of the sport to ensure it remains fair and safe for every player, coach, official, and referee. We provide resources to improve and promote all facets of basketball.

We are truly proud of the ongoing growth of Basketball across New Zealand and as participant numbers rise, so does the demand for facilities, innovation, and ongoing development of the game across all facets. As a sport, we're currently unable to provide accurate information about who is playing basketball across the motu. As a result of this, we're unable to determine the greatest areas of need, investment and accurately report back to our key stakeholders.

In line with our commitment to further growing basketball and to help improve our data collection, BBNZ is proposing the introduction of a Basketball Development Levy for all registered players across the motu. The purpose of this levy is to improve the quality of participation data that is collected from associations annually, whilst also creating an additional revenue stream for associations and BBNZ to ensure both the ongoing sustainability and ongoing development of our sport.

The introduction of a levy aligns with BBNZ's updated **Statement of Strategic Intent** and will enable BBNZ to expand opportunities within the basketball community, providing enhanced services and support across New Zealand, expediting priority areas through the collection of data.

At the 4th May 2024 AGM, a split model payment was proposed and subsequently not voted in. The feedback provided from associations to their representatives on the working group, was to change to a tiered model where there was a minimal basketball development levy, with an option for associations to add their own specific membership fee on top of the preexisting BBNZ Levy. This would be at the discretion of each association.

The Proposed Basketball Development Levy

The levy being introduced will be **tiered**, based off predetermined age filters, meaning our tamariki will be required to pay the least amount.

GST is to be paid by the receiver of the revenue (e.g. BBNZ will pay the GST portion of the revenue they receive, and associations will pay the GST portion of the revenue they receive).

Age Filter	BBNZ Levy (incl GST)	Association Levy (incl GST)
U14	\$5	?
15-19	\$10	?
20 +	\$15	?
Supporters	N/A	?

BBNZ and Associations will pay the applicable GameDay fee associated with the levy they charge.

GameDay fees are outlined in the table below

Game Day Levy Charged		
Total Price charged	Flat Fee (ex GST)	% Fee (ex GST)
\$0.00 - \$24.87	\$0.50	
\$24.88 - \$496.89		3.50%
More than \$496.90	\$20.00	

We have included the ability for associations to charge a supporter's levy if they wish to. This will enable non-players the ability to pay a supporter's levy that will give them access to the same benefits that any other registrant will receive. Associations have the ability to set this levy and the option to turn this on or off as they wish

Q. Can associations incorporate their own levy in addition to the Basketball Development Levy?

Yes, an association can add their own specific membership fee in addition to the Basketball Development Levy. Payment will be reimbursed to the association weekly, less the GameDay fee.

Q. Will there be additional offers for associations and participants?

BBNZ has already begun conversations with commercial partners that have expressed an interest in being involved. Individual members will gain access to member exclusive offers, discounts and benefits. The following discount opportunities will already be made available for participants to utilise upon completion of their registration:

Discount Opportunities	BBNZ Member Discounts
BBNZ Gear	10% off BBNZ Replica online purchase
Tall Blacks/Tall Ferns home game tickets	10% off tickets and VIP Access
Quarterly prize draw	Minimum prize draw \$200 prize pack x 5 each quarter
Budget Family and friend's discounts	Benefits of Basketball NZ Friends and Family preferred rates include: <ul style="list-style-type: none"> • Reduced Corporate Rates • Reduced Excess • Reduced Airport & Ferry Terminal Fees BUDGET basketball-nz-friends-family
Foot Locker - \$20	\$20 discount when you spend \$200+
2Degrees - \$60	From January 2025, \$10 off per month for up to 6 months for BBNZ members <ul style="list-style-type: none"> • Deal available to both customers new to 2degrees or existing 2degrees customers • Available on all mobile plans • No minimum term required, however if they leave earlier than 6 months they will miss out on any future \$10 discounts • Offer redeemable via a 2degrees form (don't currently have the capability to process this online) • This is a one-off offer for members (i.e. redeemable once and not available to the same person annually)

Bernsport	<p>35% off items on various Direct-To-Consumer websites operated by Bernsport for BBNZ members</p> <ul style="list-style-type: none"> • Products on the websites range from fitness apparel, weights, and recreational sports gear. Other products would be added by 2025 including basketballs and basketball related products (however this will exclude Molten due to existing retail commitments) • 35% off discount would be redeemable via an exclusive online store code for BBNZ members • Websites are Achieve Fitness and Achieve Outdoors – please note more products would be added within basketball prior to 2025 • Minimum order of \$50 required to cover processing costs and standard freight charges apply to orders
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We are continually working on further benefits to add to the list which will be shared once confirmed. Please note that there may also be one off discounts that get sent to members on a regular basis in the future as well as we have further discussions with partner.

Community Cash Rebate

Each association will be eligible to receive a 'community cash rebate'.

The GameDay Fee is inclusive of all possible charges associated with the transaction. BBNZ will then provide a 0.4% rebate on that transaction to Associations. So, the calculation for a \$100 transaction is:

- \$100 Paid online via Credit Card
- 3.5% + GST paid as a GameDay Levy (\$4.02 inclusive of GST)
- \$95.98 (Incl GST) deposited into the Organisations Bank Account
- **\$0.46 rebated back to Associations at the end of the year** (0.4% + GST of total transaction amount)

Q. Can associations use their existing platform for charging competition levies?

Yes, an association can use their own platform for charging competition levies however, we encourage associations to use the GameDay platform to simplify it for players. BBNZ would still require the Basketball Development levy to be charged through GameDay.

Discussions will be had with each association to work through their situation as we roll out the implementation plan.

Q. Will there be an incentive for associations to grow their player numbers?

BBNZ is passionate about growing player numbers and are excited to provide associations with an incentive for growth in numbers.

BBNZ receives the levy we have stipulated; associations receive the levy they have stipulated (if they choose to). But when registration numbers go over and above 3,000 members for a particular association BBNZ will provide rebates from the BBNZ levy as outlined below;

Portion of BBNZ levy rebate to Association

0 – 2999 Registrations = BBNZ 100% Association N/A

3000 – 4999 Registrations = BBNZ 95% Association 5%

5000 – 9999 Registrations = BBNZ 90% Association 10%

10000 + Registrations = BBNZ 80% Association 20%

	Player Registration numbers			
Age bracket	0 - 2999	3000 - 4999	5000 - 9999	10000+
U14	\$5	\$5	\$5	\$5
15-19	\$10	\$10	\$10	\$10
20 +	\$15	\$15	\$15	\$15
Portion to BBNZ	100%	95%	90%	80%
Portion to Association	0%	5%	10%	20%

This rebate (as outlined above) will be paid to all associations irrespective of whether they choose to charge a levy on top of the BBNZ Basketball Development Levy or not.

Q. How does BBNZ plan on spending any additional funds raised from the Basketball Development Levy?

Additional BBNZ revenue raised from levies will allow us to focus across several different areas, not limited to the following:

- Priority will be given to the development of future digital platforms. A one stop shop that connects an individual user to all the different digital solutions BBNZ currently offers.
- An improved 'association toolbox' available for association via the BBNZ website or app.
- Additional revenue to support the growth of different suppliers (bespoke development if required).
- Additional support for coaches and officials thanks to enhanced development opportunities and improved resources.
- This also takes into consideration the rising cost of facility hire, administration and equipment expenses.

Q. How will associations, participants and BBNZ benefit from the introduction of a Basketball Development Levy?

- Improved consistency of basketball delivery across the country.
- An additional revenue stream for associations – financially rewarded for growing your membership database.
- Removal of current annual association fee between associations and BBNZ, which many associations struggle to pay.
- Ongoing access to existing and future technology platforms, and enhanced support.

Q. What value is currently provided to associations as affiliated members of BBNZ?

Several internal costs that benefit all associations are not currently passed on. This includes full and free access to a host of different technology solutions in which a full licence is paid by BBNZ equating to over \$200,000 per annum (excluding staff costs). This includes the following:

- GameDay.
- Coachmate.
- Etrainu.
- Integrated solution between GameDay and Glory League.
- Glory League availability at all BBNZ administered competitions.
- Ongoing support to develop technologies and their offerings for members.

This isn't a sustainable model moving in the future, yet BBNZ still supports the continued availability of these technologies, despite them being over and above the total amount received via current payable levies.

Q. Does this replace the current annual affiliation fee?

Yes, this will replace the current annual affiliation levy requiring associations to pay a lump sum.

The BBNZ Constitution allows for Fees and/or levies to be proposed by the Board and approved by the members in accordance with rule 17.3.

Q. What will happen if this doesn't get voted in?

BBNZ can continue to put forward to the BBNZ Board an application to utilise a portion of the Capital Investment Fund to pay the capital costs of any future digital platforms. However, due to BBNZ limited operational funds it is likely that there may need to be a charge for users to access these platforms or further developments of existing platforms and training to cover the cost of ongoing operational costs associated.

This not going ahead would also limit or significantly delay the ability for BBNZ to provide enhanced services and support across New Zealand's basketball community. Expediting priority areas through the collection of data will also be significantly impacted.

As agreed at the 4th May 2024 AGM, in the event that no agreement is reached at the SGM the fees for 2025 are set at 2024 fees plus a 4.7% increase which is the CPI rate for 2023.

Q. How will the system identify which association receives a Basketball Development Levy (some players may register for different competitions or services with multiple associations)?

The system will recognise a member's home address relative to an association – this will identify the association that collects that levy. We will be working with GameDay on the capability and functionality of the system.

Q. What if families can't afford to pay?

Each association will be able to identify participants that can't afford to pay and have the levy waived via voucher codes developed within the GameDay system. These can be used at an association's discretion (up to 10% of your membership).

Q. Has an individual levy been implemented before?

Yes, an individual levy was implemented close to 20 years ago but has some fundamental differences to the Basketball Development Levy that is being proposed. The previous individual levy required associations to provide participant numbers to BBNZ which determined how much they were invoiced for their BBNZ membership levy. Unfortunately, this led to inaccurate data being provided, leading to a subsequent change in how the association levy was structured (our current levy).

The Basketball Development Levy has been created (with learnings from the previously implemented levy that didn't work) to benefit both our associations and participants, encouraging the registration of individuals and providing accurate data.

Q. When will the levy come into effect?

BBNZ will commence the collection of the levy from 1 January 2025, to coincide with the release of the new Service Level Agreements.

Q. How often will the levy be charged?

It is an annual levy, and you will only be required to pay once annually at the time of registration; regardless of if you play in multiple teams or play multiple seasons within that year.

Q. Who is required to pay the levy?

The Levy will only apply to those that are actively playing basketball in 3x3 or 5v5 leagues and/or competitions.

Q. Is anyone exempt from the levy?

The Levy only applies to **players**.

Coaches, officials (referees, score bench, statistics), volunteers and administrators are all exempt from the levy.

Q. How will the levy be collected?

The levy will be automatically collected when you register online. All participants will be required **to self-register** into the system. Self-registration is imperative to avoid future duplicate records, particularly for those participants that play across several different entities. National levies can only be paid online via GameDay's online payment portal.

Q. When will associations receive payment?

If associations choose to charge a levy on top of the BBNZ levy, they will receive payment via GameDay weekly. Payments will not be linked to SLA KPI's. Payments for rebates and/or any applicable washups will be processed annually at the conclusion of the financial year.

Q. How will this be communicated to the Basketball Community?

Communications will be circulating to the Basketball community via Electronic Direct Messaging, Email and the BBNZ website. Communications will clearly explain why the Basketball Development Levy is being introduced, where the money is going and how this will benefit participants.

Q. What will the administrative impact be on associations?

We see the use of Software solutions such as GameDay streamlining registration, payment, and reporting processes for both participants and administrators. After over 20 years of working with sporting organisations globally GameDay remain very confident that their approach to managing registration & payment is very efficient and provides an extremely frictionless end to end process.

Our view is (and has always been) that any registration / payment process that generates an invoice for payment by a participant creates a range of potential issues and administration tasks for both the participant and admin. Sporting organisations that provide invoice-based solutions seem to be one of the few industries (other than Trades) that provide the option to pay after you have participated.

Registering online and paying for goods and services at the time of registration or purchase is now very much normal in modern society - think purchasing a flight, bus ticket, concert ticket, sporting fixture (NBL or Tall Blacks). You are rarely given the option to be invoiced for these. The process of generating an invoice opens the door to:

Processing invoices can have significant implications for not-for-profit organisations including:

- Significant increase in Admin tasks in reporting and managing participants who have not paid either by not receiving the invoice, forgetting, or refusing.
- Multiple follow ups and management of unpaid invoices - especially players who are actively playing but have yet to complete their payment.
- Significant reduction in cash flow for the organisation compared to processes where payment is required at the time of registration
- Additional management implications for admins trying to determine if a player is eligible (i.e. - Registered v paid).

We believe the strength of the GameDay system is in streamlining registrations & payments instantly and providing valuable management, reporting, and communication tools relating to participant status and eligibility for specific teams and competitions. The GameDay solution removes the need, and the admin processes associated with chasing payments through financial management tools.

While future integration with financial packages is certainly desirable from a GameDay perspective - we maintain that an invoiced based process is still very detrimental to sports globally and especially in NZ and we strongly advocate against it - however continuing to streamline and enhance reporting standards between systems remains valuable.