

Relief from Income Tax and Corporation Tax for Certain Sporting Bodies

GS1
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1. INTRODUCTION

This leaflet outlines:

- the tax exemptions for Games/Sports bodies.
- the eligibility conditions for exemption.
- how a Games/Sports body may apply for exemption.
- the conditions that apply once exemption has been granted.

2. RELIEF FROM CERTAIN TAXES FOR GAMES/SPORTS BODIES

The tax code provides exemption for Games/Sports bodies as follows:

- Income Tax/Corporation Tax - Section 235, Taxes Consolidation Act 1997
- Dividend Withholding Tax - Chapter 8A, Part 6 Taxes Consolidation Act 1997
- Capital Gains Tax - Section 610, Taxes Consolidation Act 1997
- Stamp Duty – Section 82B, Stamp Duties Consolidation Act 1999

N.B.

- (i) employees of a Games/Sports body are liable to income tax in the ordinary course under the PAYE system,
- (ii) there is no general exemption in respect of VAT for a Games/Sports body,
- (iii) the exemption does not apply to Deposit Interest Retention Tax (DIRT).

Further enquiries with regard to PAYE and VAT issues may be made to your local tax office.

3. WHAT BODIES ARE ELIGIBLE TO APPLY FOR GAMES/SPORTS TAX EXEMPTION?

The exemption applies to an “approved body of persons” i.e. an organisation established for and existing for the sole purpose of promoting an athletic or amateur game or sport and whose income, as is shown to the satisfaction of the Revenue Commissioners, is income which has been or will be applied for the sole purpose of promoting that athletic or amateur game or sport. The body must be a not for profit, member controlled and owned organisation. It must be legally established in the State and have its centre of management and control therein. The majority of its trustees/directors/officers, as appropriate, must be resident within the State. A body, which is refused exemption, has a legal right to appeal that decision to the Appeal Commissioners who are independent of the Revenue Commissioners.

4. APPLYING FOR EXEMPTION FROM TAX

When a games/sports organisation wishes to apply for exemption from Income, Corporation, Dividend Withholding, Capital Gains Tax, Stamp Duty on the basis that it is established for the sole purpose of promoting an athletic or amateur game or sport, it must submit a completed Declaration to the Revenue Commissioners. A copy of the Declaration is attached to this leaflet and may be detached by tearing along the perforated edge.

5. CONDITIONS ATTACHING TO THE EXEMPTION

Where exemption is granted,

- (i) proper financial records and accounts must be kept and made available to the Revenue Commissioners for inspection on request. Details of activities being conducted by the body may also be requested;
- (ii) if the body proposes to make any changes in its Governing Instrument to its main object(s) and/or the application of its income or property clauses, same shall not be made unless they shall have been previously submitted to and approved in writing by the Revenue Commissioners.

Declaration to be made by a Games/Sports Body for the purpose of claiming tax exemption under the provisions of Section 235, Taxes Consolidation Act, 1997.

PART A – DETAILS OF BODY (PLEASE USE BLOCK CAPITALS)

1. Name of Body:			
2. Tax Reference Number:			
3. Address:			
Correspondence Address:			
Mailing Address:			
4. Please specify the athletic or amateur game or sport which is being promoted:			
5. Please specify the type of legal instrument which governs the operation of the Body:			
<input type="checkbox"/> Memorandum of Association	<input type="checkbox"/> Deed of Trust	<input type="checkbox"/> Constitution/Rules	
6. No. of Employees (if any):			
Full Time:			
Part Time:			
7. Sources of annual income (please tick each as appropriate):			
<input type="checkbox"/> Subscriptions	<input type="checkbox"/> Fund-raising	<input type="checkbox"/> Sponsorship	
<input type="checkbox"/> Lottery Operation	<input type="checkbox"/> Grants	<input type="checkbox"/> Rent	
<input type="checkbox"/> Investments	<input type="checkbox"/> Bar/Catering Profit	<input type="checkbox"/> Other (specify)	
8. Please specify the following amounts in Euro as appropriate:			
Gross Annual Income: €		Current accumulated surplus: €	
Annual sales volumes of any trading being conducted:			
Bar: €		Catering: €	
Shop: €		Other (specify):	€
9. Is any Trustee/Director/Officer in receipt of remuneration from the Body?			
If yes, please provide details:			

PART B - DECLARATION

I, _____ as Chairperson/Secretary of _____
hereby formally declare that the above named body of persons has been established for and exists for
the sole purpose of promoting the athletic or amateur game or sport of _____.

I further declare that the income of the above named body is income which has been or will be applied
solely for that purpose and I hereby claim exemption from Income Tax/Corporation Tax in respect
thereof under the provisions of Section 235, Taxes Consolidation Act, 1997.

I also confirm that:

- ▶ a copy of the Body's Governing Instrument shall be made available to the Revenue Commissioners on request and any changes to its main object(s) and or the application of its income or property clauses, as contained in said Governing Instrument, shall not be made unless they have been previously submitted to and approved in writing by the Revenue Commissioners;
- ▶ annual accounts of the Body shall be kept and made available to the Revenue Commissioners on request;
- ▶ in the event of the winding-up of the Body there remains, after satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Body. Instead, such property shall be given or transferred to some other institution or institutions having main objects similar to the main objects of the Body or for charity;
- ▶ the Body's Governing Instrument currently reflects these conditions; and
- ▶ such other information as may reasonably be required to determine the eligibility of the Body for tax exemption shall be supplied to the Revenue Commissioners on request.

I certify that the information given at Parts A and B of this Declaration is correct to the best of my knowledge and belief.

Signed: _____

Date: _____

Daytime Tel. No. _____

The completed Declaration should be sent to:

Office of the Revenue Commissioners,
Games/Sports Exemption Section,
Government Offices,
Nenagh,
Co. Tipperary.

Tel No. 067 63377

LoCall 1890 666 333

Fax No. 067 32916

E-mail address: sportexemp@revenue.ie

Website: www.revenue.ie

It is an offence to knowingly or wilfully furnish any incorrect information in connection with any tax (Section 1078(2)(a) Taxes Consolidation Act 1997 refers).

It should be noted that the Revenue Commissioners can make available to any person the name and address of any games/sports body which has been granted exemption from tax.