

Tax Treatment of payments and other benefits provided by a voluntary body

Part 05-05-38

Document Created April 2026

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1. Introduction

The purpose of this Tax and Duty Manual (“TDM”) is to provide guidance on the tax treatment of payments made and other benefits provided to individuals who give their time and expertise to “voluntary bodies”, such as sports clubs, charities, community organisations, etc. freely and on a voluntary basis for no remuneration whether by way of money or monies worth.

It is important to note that in the case of individuals who give their time and expertise freely, on a voluntary basis without the receipt of money or other non-cash benefits (directly or indirectly), etc., there are no tax implications for these individuals. Examples include where a person gives their time for free to a local sports club, charity or other community organisation and obtains no financial benefit whatsoever whether in money or monies worth. The vast majority of volunteers fall into this category.

Revenue recognises that there are scenarios where volunteers, whilst giving their time freely and on a voluntary basis, receive reimbursement for certain expenses, are given benefits such as branded clothing, equipment etc. This TDM provides guidance for the tax treatment of these and other similar issues.

This TDM does not, in any way, alter the ordinary principles of taxation which apply to an individual providing their services, time or expertise in exchange for payment, remuneration or benefit whether by way of money or monies worth.

This TDM should be read in conjunction with the following relevant TDM’s which are referenced throughout this manual:

Tax and Duty Manuals	
Reference	Title
Part 04-01-22	Taxation of Income from Social Media and Promotional Activities
Part 05-01-01e	The Small Benefit Exemption (SBE)
Part 05-01-06	Tax treatment of the reimbursement of expenses of travel and subsistence to office holders and employees
Part 05-01-30	Revenue Guidelines for Determining Employment Status for Taxation Purposes
Part 38-03-17	Books and Records
Part 42-04-35A	The Employers Guide to PAYE with effect from January 2019

2. Meaning of voluntary body

For the purposes of this TDM, a voluntary organisation is considered to be any incorporated or unincorporated body, that involves volunteers in its activities and whose principal functions and aims are both altruistic and non-commercial such as sports bodies, social clubs, charities, non-profit organisations or community enterprises.

3. Scenarios involving voluntary bodies

There are circumstances where voluntary organisations provide individuals with non-cash “benefits” or make a payment to a third party on behalf of an individual. This can arise in terms of the provision of branded clothing / uniforms to enable the volunteer to carry out their volunteer duties, the payment or part payment of the cost of attending a physio, etc. This section of the TDM outlines such scenarios involving voluntary bodies, where Revenue is willing to accept that no charge to tax arises. This is on the basis the recipients of the benefits are not persons to whom [paragraph 7](#) applies.

3.1 Provision of clothing / uniforms

The provision of protective clothing and/or sports gear with or without logos, for example, a team tracksuit / sports apparel, by a voluntary body to a player / coach / club member or a branded uniform, etc., for use when volunteering will not give rise to a tax charge.

Example 1

Seán is a volunteer assistant at a local charity shop and assists two days a week from 10am to 2pm. He gives his time freely without expectation of financial reward and he does not receive any remuneration or payment. The charity shop provides Seán with a branded shirt that he is required to wear when assisting in the shop. There are no tax implications for the charity shop or for Séan in such a scenario.

Example 2

ABC Soccer club play in the Leinster Senior League. Following some fundraising, they purchase branded club tracksuits that are provided to all players and coaches (none of whom receive any remuneration or payment), who are required to wear the tracksuits to matches. There are no tax implications for the club or for the recipients of these tracksuits in such scenarios.

Example 3

Jennifer volunteers with the Civil Defence. She does not receive any remuneration or payment but is provided with Work-Wear Uniforms and Personal Protection Equipment (“PPE”). There are no tax implications for either the Civil Defence or Jennifer in such a scenario.

3.2 Meals

Where team meals are provided to players and coaching staff after training or a match, this will not give rise to any tax implications. This would also apply to volunteers who are provided with food when giving their time to a charity event, etc.

Example 4

John volunteers at a community-based charity in Ireland which provides young people with educational outdoor activities. He volunteers as an Assistant Leader at a summer camp and is provided with free accommodation and all meals on site. He does not receive any other benefits, remuneration or payments. There are no tax implications for either John or the charity in such a scenario.

Example 5

DEF Rugby Club participate in the AIL. The players do not receive any remuneration or payment. They train on Tuesday and Thursday night and play matches, where fixtured, on Saturdays. The club provides a hot meal for all players and coaches after training and matches. There are no tax implications in such scenarios for the club, players and coaches.

Example 6

A local charity is hosting an all-day fundraiser in the parish hall. Emma and David are at a stall selling raffle tickets all day. They do not receive any remuneration or payment, however the charity provides them with a meal. There are no tax implications for the charity, Emma and David in such a scenario.

3.3 Physio and other similar costs

Where a sports club or similar organisation pays for their players to attend a physio to treat an injury obtained from their participation in club activities / matches, etc., there are no tax implications for either sports club / organisation or the players. Similarly, paying for a session in a facility that provides services to assist recovery (ice baths, compression boots, etc.) will not give rise to any tax implications for either sports club / organisation or the players.

Example 7

A GAA club has a hurling team playing in the intermediate county championship. The players do not receive any remuneration or payment for taking part in the championship. As part of the strength and conditioning regime, the club pays for all panel players to attend a recovery session once a week during the season to use the ice bath, sauna and other facilities. There are no tax implications for either the club or the players in such scenarios.

Example 8

Déirdre plays for HIJ hockey club. She does not receive any remuneration or payment for playing with the club. During the season she injures her quad muscle playing a game. The club pays for her to attend two physio sessions to assist in her recovery. There are no tax implications for either the club or Déirdre in such a scenario.

4. Reimbursement for certain expenses (excluding Travel & Subsistence)

It is important to note that simply labelling payments as “expenses” or as “legitimate expenses” does not mean that such amounts will be considered non-taxable. The facts and circumstances of each payment need to be examined to determine the correct tax treatment.

This section of the TDM outlines some scenarios involving voluntary bodies, where Revenue is willing to accept that no charge to tax arises. This is on the basis that the reimbursements are not received by persons to whom [paragraph 7](#) applies and that where a payment is made, it is on the basis of only reimbursing the actual expenses incurred by the individual.

Reimbursement of volunteer related expenses such as the cost of small equipment, stationery, or incidental out-of-pocket expenses necessary to carry out the volunteer’s role, are not subject to Income Tax if they merely cover actual costs incurred, which are necessary and integral to their duties in the course of volunteering and are supported by receipts.

In addition to the above, where gym subscriptions are paid on behalf of players who are required to maintain levels of fitness as an integral part of a training regime, a charge to tax will not arise.

Example 9

A volunteer youth worker assists at a local youth club and does not receive any remuneration or payment for their involvement with the youth club. The youth worker purchases craft materials worth €50 for a club event. Upon production of receipts, the charity reimburses the €50. There are no tax implications for either the youth club or the youth worker in such a scenario.

Example 10

Darragh volunteers with a community-based mentoring programme in which he has been matched with a young person. Darragh does not receive any remuneration or payment for their involvement with the programme. Darragh and his mentee meet regularly to do free activities, but on occasion Darragh pays for cinema trips and bowling. Darragh is reimbursed the cost of these activities upon production of receipts to the course coordinator. There are no tax implications for either the community organisation or for Darragh in such a scenario.

Example 11

Fionnuala is a volunteer coach at her local softball club for which she does not receive any remuneration or payment. To enable her to set up training drills to improve the fitness and skill levels of the team, she purchases a batting machine, a bat, a catching glove, cones, rope ladders, bibs and a whistle, the total cost of which is €475. Upon production of receipts, the club reimburses the €475. There are no tax implications for either Fionnuala or the club in such a scenario.

5. Travel and subsistence

This paragraph of the TDM outlines the tax treatment of travel and subsistence payments made to volunteers. This is on the basis that the payments are not received by persons to whom [paragraph 7](#) applies.

Revenue's long standing practice in relation to the payment of travel and subsistence to volunteers is outlined in paragraph 4.15 of Tax and Duty Manual [Part 05-01-06](#). Broadly speaking, reimbursement of expenses of travelling and subsistence to individuals who work on a voluntary and unpaid basis for organisations whose functions and aims are both altruistic and non-commercial (for example, voluntary unpaid workers working for charities, sports bodies, etc.) may be paid tax-free, provided the expenses of travelling and subsistence –

- (a) merely put the unpaid individual in a position to carry out her/his duties; and
- (b) no more than reimburse the individual the expenses actually incurred by him/her and do not exceed the Civil Service rates for reimbursement of expenses of travelling and subsistence.

Where the rates exceed the above, the person will be considered an individual to whom [paragraph 7](#) applies and the ordinary taxation principles apply. Below are some illustrative examples of when payments for travel and subsistence can be made tax free.

Example 12

Cian is a member of a County football panel. He lives and works 120km from the county and travels to train with the squad three times per week. Cian does not receive any remuneration or payment. The County Board allows Cian to claim travel and subsistence in line with the conditions set out in (a) and (b) above. These payments can be made tax free and there are no tax implications for Cian or for the County Board in respect of these payments.

Example 13

Rachel is a member of a County camogie team. As part of her role on the squad, she visits schools around the county in the off season to promote the game. Rachel does not receive any remuneration or payment. The County Board allows Rachel to claim travel and subsistence in line with the conditions set out in (a) and (b) above. These payments can be made tax free and there are no tax implications for either Rachel or the club in respect of the receipt of these payments.

Example 14

John is a volunteer with a sporting National Governing Body (NGB) head office. He gives his time without expectation of payment and does not receive any remuneration or payment. Every year, John attends a half day conference about best practice in sport administration in Belfast. Lunch is provided as part of the conference. John leaves his house at 9:30am. He pays for his train to Belfast and attends the conference, arriving home at 5:30pm. Upon production of a receipt for the train fare, the NGB reimburse John for the cost of the ticket. The payment can be made tax free and there are no tax implications for either John or the NGB in respect of the receipt of these payments. As a lunch was provided to John, any payment of subsistence would not be tax free.

Example 15

Liz is a voluntary board member of a registered charity. She gives her time without expectation of payment and does not receive any remuneration or payment. Once a year, Liz attends a workshop to share best practice for charities across the EU. The workshop takes place in Paris. The charity books and pays for Liz's flights. There are no tax implications either for Liz or the charity in relation to this payment. Liz books and pays for her own hotel in Paris. The charity allows Liz to claim travel and subsistence in line with the conditions set out in (a) and (b) above. This payment can be made tax free and there are no tax implications for either Liz or the charity in respect of the receipt of the payment.

6. International “trips” for sports players and coaches

Where an individual is not one to which [paragraph 7](#) applies, there are a number of scenarios where no tax obligations will arise in respect of the cost of international trips being covered by a sports club or similar entity. There are also scenarios where tax obligations may arise. This section of the TDM sets out these scenarios.

6.1 Scenarios where no tax implications arise

The provision of a trip will not give rise to a charge to tax, provided the following conditions are met in respect of each individual attending the trip:

- The individual has a direct association with the event, i.e., is a player, coach or official. The treatment does not extend to partners / families of players, etc.
- The trip is tied to a promotional event, part of a training camp or schedule or for the purposes of competing in a tournament.
- The allowable expenses are restricted to transport to and from the designated meeting or event location at the beginning and end of the trip, reasonable transport required between official locations during the trip, and accommodation and meals.
- Travel and subsistence expenses, without the deduction of tax, are not also paid in respect of the trip in question.
- In respect of trips tied to a promotional event, only one overseas trip is permitted in any one calendar year.
- In respect of trips for the purposes of training in advance or competing in a tournament, the number of trips per year is not restricted.

Example 16

An athletic club discharges the hotel and flight costs on behalf of its amateur elite runners who were attending a training camp in the Alps for high altitude training. The athletes do not receive any remuneration or payment from the club. As the trip was part of a training schedule for the runners and all the relevant conditions have been met, there are no tax implications in respect of the provision of the trip for either the athletes or the club.

Example 17

XYZ Badminton Club wins the all-Ireland doubles championship. As a result, the two members of the team and their coach qualify to attend the European Badminton championships in Spain. The athletes do not receive any remuneration or payment. From a combination of funds from the national governing body and their club, the cost of flights, accommodation and food is paid for. As the trip was for the purposes of competing in a tournament and all the relevant conditions have been met, there are no tax implications in respect of the provision of the trip for either the athletes or the club.

Example 18

An intercounty team wins the Joe McDonagh Cup. The squad and backroom staff did not receive any remuneration or payment for partaking in the cup. A philanthropist wishes the squad to attend a promotional event in Los Angeles to grow the game and pays for flights and accommodation for the players and backroom staff. As the trip was for the purposes of a promotional event and all the relevant conditions have been met, there are no tax implications in respect of the provision of the trip for those attending.

6.2 Scenarios where tax implications arise

In scenarios where the provision of a trip doesn't come within the parameters of [paragraph 6.1](#), then it is, in most cases, likely to be considered a gift for Capital Acquisitions Tax (CAT) purposes.

It is worth noting that CAT is not payable on gifts with a value of €3,000 or less from any one person in any one calendar year. In this context a person could be a sports club or similar entity. In addition, to the extent that the value of a gift from any one person (such as a sports club) in any one calendar year exceeds this small gift exemption, the beneficiary will not be liable to pay CAT in respect of the gift if its total value is below the relevant "[group threshold](#)" when added to the value of previous gifts and inheritances in the same group. The relevant group threshold for gifts from a sports club to an individual is most likely to be the Group C threshold (currently €20,000).

Further details of the application of CAT is outlined on the [Revenue website](#).

Example 19

A rugby club organises a surprise end of season trip in 2026 for one of its teams to celebrate their success. All the team members are amateur players and are not in receipt of any form of remuneration or payment from the club. The cost of flights and accommodation is provided for each of the players and backroom team, their partners and children.

The trip is not tied to a promotional event, part of a training camp or schedule for the purposes of competing in a tournament. As a result, the treatment outlined in [paragraph 6.1](#) does not apply. The value of the trip for each individual is €2,450. The payment for the trip is considered a gift from the club to each individual. As the value of the gift from the rugby club to each individual is less than €3,000, no CAT arises (assuming that each individual did not receive any other gifts in 2026 from the rugby club).

Example 20

Seamus volunteers as a coach for a sports body providing coaching to athletes with intellectual disabilities for which he does not receive any remuneration or payment. As part of his role, Seamus travels to an international event in 2025 with the athletes. The sports body pays travel, visa and accommodation expenses.

As the trip was for the purposes of competing in a tournament and all the relevant conditions in [paragraph 6.1](#) have been met, no charge to tax arises for either Seamus or the sports body in respect of the provision of the trip. Seamus is accompanied by his wife, Patricia, on the trip. The sports body also pays for Patricia's travel, visa and accommodation expenses, at a total cost of €1,950. The payment for the trip is considered a gift from the sports body to Patricia for CAT purposes. As the value of the gift is less than €3,000, no CAT arises (assuming that Patricia did not receive any other gifts in 2025 from the sports body).

7. Tax treatment of payments to individuals from volunteer organisations

Section 12 of the Taxes Consolidation Act (“TCA”) 1997 broadly provides that Income Tax is charged on profits or gains described in the various Schedules. For the purposes of this TDM, only Schedule D (as provided for in section 18) and Schedule E (as provided for in section 19) are relevant. Where a person receives a payment from a voluntary body, this may be taxable under Schedule D (self-employed) or Schedule E (employee), depending on the facts and circumstances of the case. Being classified as an “amateur” does not take a payment to an individual outside of the charge to Income Tax.

A charge to tax under Schedule D or E is not dependent on the existence of a formal contract between the parties. Any agreement (whether verbal or written) that exists between the parties and the practical operation of the arrangements that exist and apply to that agreement and the scenario must be considered in their totality when determining how the payment or benefit should be taxed.

The tax treatment outlined above in paragraphs 2 to 6 (inclusive) does not apply to a person who is subject to Income Tax under Schedule D or Schedule E, in respect of payments or other benefits received from or behalf of a voluntary body. The ordinary principles of taxation apply, i.e., rules relating to income, deductions and the application of PAYE (in respect of payments made by a voluntary body to such individuals), or the obligation to file a tax return by the individual, etc.

7.1 Employee or self-employment

When a voluntary body or a person/organisation on behalf of the voluntary body makes a payment to an individual and the payment is considered subject to Income Tax, the voluntary body must determine if an employment relationship exists for tax purposes. This must be done by applying the five-step decision making framework as outlined by the Supreme Court in the Karshan judgment. Guidance on making this determination is provided in [TDM Part 05-01-30](#). The five-step decision making framework must be applied by the voluntary body to the specific facts and circumstances of each engagement where a body makes a payment to an individual.

The rules outlined in this paragraph and [paragraph 7.2](#) apply equally to payments to part-time, casual, occasional or seasonal workers such as individuals acting as stewards, stiles persons, ticket sellers, as they would to individuals providing regular or continuous services.

7.2 Tax treatment of payments to employees

Where, following the application of the five-step framework, it is established by the voluntary body that, for tax purposes, the recipient is an employee of the body, any payment should be paid net of statutory deductions for Income Tax, USC and PRSI under the PAYE system in accordance with the provisions of Chapter 4 Part 42 of the TCA 1997. Guidance on the operation of PAYE can be found in [TDM Part 42-04-35A](#).

Where such an employment relationship exists, and an employer (i.e., the voluntary body) provides a voucher or other incentive to an employee it is generally chargeable to Income Tax, PRSI and USC.

Section 112B TCA 1997 provides that a voucher or incentive may be given to an employee without giving rise to a charge to tax where certain conditions are met. This is commonly referred to as the “small benefit exemption” (“SBE”). The SBE does not apply in scenarios where the voucher or the incentive is considered a salary sacrifice arrangement. Guidance on the SBE, including the Enhanced Reporting Requirement (“ERR”) is available in TDM [Part 05-01-01e](#).

In relation to travel and subsistence payments, the ordinary principles of taxation for employees apply, as set out in [TDM Part 05-01-06](#). The ordinary principles of taxation also apply in relation to the provision of benefits in kinds, etc., as set out in TDM [Part 05-01-01](#).

7.3 Tax treatment of payments to self-employed individuals

If it is established that the individual is not considered an employee for tax purposes following the application of the five-step decision making framework ([paragraph 7.1](#)), the amount received from the voluntary body may still be subject to Income Tax under Schedule D.

Section 18 TCA 1997 provides that Income Tax is charged under Schedule D in respect of a number of sources of income which are classified into five separate Cases. Profits or gains derived from providing goods or services arising from the carrying on of a trade or profession are chargeable to tax under Case I or Case II, as the case may be, whereas profits derived from activities which do not have the characteristics of a trade or profession are chargeable to tax under Case IV. Income derived from duties performed for a voluntary body or organisation may be subject to tax under Case I, Case II or Case IV of Schedule D depending on the facts and circumstances giving rise to the payment. Guidance on the charge to tax under Schedule D Case I and Schedule D Case IV is available in paragraphs 3.1 and 3.2 of [TDM Part 04-01-22](#).

7.3.1 Charge to tax under Schedule D Case I/II

The profits or gains arising from the carrying on of a trade or profession are chargeable to tax under Schedule D Case I or Case II, as the case may be. Whether the profits or gains arise from carrying on a trade is a question of fact having regard to the particular facts and circumstances of each case and also having regard to the 'badges of trade' and caselaw. For further guidance on what constitutes a trade, see [TDM Part 02-02-06](#).

Where a taxpayer is carrying on a trade or profession, the fact that the trader has no legal right to receive a particular sum does not mean that the sum is outside the scope of Income Tax. The key issue is whether or not the trader receives the sum in the course of their trade, or in carrying out their profession, or whether they receive it for purely personal or other non-trading reasons.

In computing the amount of the profits or gains to be charged, expenses wholly and exclusively laid out or expended for the purposes of the trade or profession will be deductible.

A payment which is made in order to induce or to facilitate the future provision of services may be taxable as income from the trade or profession.

7.3.2 Charge to tax under Schedule D Case IV

The profits or gains chargeable to tax under Case IV are those profits or gains that are not chargeable to tax under any other Case of Schedule D or under any other Schedule. Where an individual or company that generates income from the provision of a good or service activity and is not chargeable to tax under Case I/II on the basis that they are not considered to be carrying on a trade or profession, they are chargeable to tax under Case IV.

The profits or gains derived from an activity are likely to fall under Case IV where the activity is carried out on a once-off, casual or occasional basis such that it does not amount to the exercise of a trade or profession and in circumstances where it has not been determined to be income from an employment.

7.4 What payments are likely to be subject to Income Tax?

While it is not possible to provide a definitive position in relation to the various scenarios that may arise, this section sets out some examples for illustrative purposes, where payments received from a voluntary body are likely to be subject to Income Tax.

Example 21

Alan is contracted by an NGB to play for the national team. The payments made under the contract are subject to Income Tax. Having applied the five-step framework, the NGB determines Alan is an employee for tax purposes. The ordinary principles of taxation as outlined at [paragraph 7.2](#) above relating to the deduction of Income Tax, USC and PRSI through the PAYE system apply. In relation to any benefits, T&S, perquisites, etc., the ordinary principles of taxation apply.

Example 22

Cleo plays for a soccer club in the League of Ireland. The club pays her what is described as a gratuity of a flat amount €200 per week to cover her incidental costs. This amount and is subject to Income Tax. Having applied the five-step framework, the club determines Cleo is an employee for tax purposes. The ordinary principles of taxation as outlined at [paragraph 7.2](#) above relating to the deduction of Income Tax, USC and PRSI through the PAYE system apply. In relation to any benefits, T&S, perquisites, etc., the ordinary principles of taxation apply.

Example 23

Michael is a coach with several hockey teams and travels between teams on a regular basis. One of the teams have agreed a payment of €800 per month during the season for his role as coach to reimburse him for his time and travel. Michael has agreed to coach four training sessions per month for this team, held either on midweek evenings or weekends, and he can decide which days he is available for these training sessions, depending on his other work on hand. Michael does not receive any other payment in respect of his role of coach from any other team

Although Michael considers his coaching role to be voluntary in nature, he is in receipt of an amount of money that is subject to Income Tax.

The organisation paying Michael must apply the five-step framework in TDM [Part 05-01-30](#) to determine whether Michael is an employee for taxation purposes. Based on application of the five-step framework to the particular facts and circumstances of Michael's engagement with the club, it is determined by the team making the payment that Michael is engaged on a self-employed basis. Therefore, Michael is required to return the profits or gains he receives in respect of his coaching activity in a self-assessed Income Tax return. In computing the amount of the profits or gains to be charged, expenses wholly and exclusively laid out or expended for the purposes of the trade or profession will be deductible.

Example 24

Timothy is the manager of a county football team. The County Board have agreed to provide him with the following as part of his role –

- A per diem amount of €200 for each championship game;
- A fuel card with €50 per week to cover petrol costs;
- Use of an apartment owned by the County Board and located near the club grounds, on a rent-free basis for the duration of the season;
- A set amount of €100 per week during the season to cover all other expenses, recognising that county managers incur costs in carrying out their role.

All of these amounts are subject to Income Tax. Having applied the five-step framework, the County Board determines Timothy is an employee for tax purposes. The ordinary principles of taxation as outlined at [paragraph 7.2](#) above relating to the deduction of tax, USC and PRSI through the PAYE system apply. In relation to any benefits, T&S, perks, etc., the ordinary principles of taxation apply.

Timothy engages with the County Board and agrees that instead of the €50 fuel card and €100 per week set amount, he will claim travel and subsistence costs as an employee in line with of Tax and Duty Manual [Part 05-01-06](#).

As the T&S claims are operated in line with the published Revenue practice for such payments made to employees, the payments can be made without deduction of tax and there are no tax implications for Timothy in respect of the receipt of the payments.

The €200 set round sum which is paid per game payment continues to be subject to tax. As Timothy is an employee, he will also be liable for Income Tax on a benefit-in-kind (“BIK”) arising from the free use of the apartment. As the property is owned by the County Board, the BIK gives rise to notional pay equating to the annual value or market rent of the apartment plus any related expenses paid by the County Board. In a scenario where the County Board pays the rent on behalf of Timothy, the valuation of the benefit will be the cost of the rent paid by the County Board less any payments the employee makes to the employer in regard to that rent. Guidance on the tax treatment on the provision of free or subsidised accommodation to an employee is available on the Revenue [website](#).

Example 25

Emer is in 6th year in school and a member of her local sailing club. For four weeks during the summer holidays she works for her club as a sailing instructor. Emer is paid an hourly rate in line with the national minimum wage for her work with the club. The payment to Emer is subject to Income Tax. The club apply the five-step framework in TDM [Part 05-01-30](#) and, based on the facts, determine that Emer is an employee for tax purposes. The club is required to register with Revenue as an employer and deduct the appropriate Income Tax, USC and PRSI from payments to Emer through the PAYE system. Emer is entitled to tax credits such as the Employee Tax Credit and the Personal Tax Credit. On the basis that Emer has no other taxable income during the year, her Income Tax liability is covered by her tax credits, meaning the amount of tax she pays is zero.

The sailing club decide to award Emer a €100 voucher to recognise her hard work during the summer. This voucher meets all the requirements of the small benefit exemption and can be paid without deduction of tax. The club is obliged to report the benefit on or before the voucher is given to Emer under ERR.

8. Payments or benefits from third parties

A third party (for example, a commercial entity) may provide payments or other benefits to an individual due to the individual's public or celebrity profile arising from their involvement with a voluntary organisation.

Where an individual enters into transactions, such as appearances or brand ambassadorship due to their public or celebrity profile arising from their involvement with a voluntary organisation the taxation treatment of the transaction will depend on the facts and circumstances in each particular case.

Profits derived from activities such as appearance fees are chargeable to tax under Case I or IV of Schedule D depending on the facts and circumstances.

Where an individual receives payment or other non-cash benefit in return for promoting, advertising or endorsing a particular brand, product or business the tax consequences of these payments and benefits must be considered. Brand promotion may take place on social media platforms, such as pictures of the individual receiving the product, or by live or recorded attendance at events, or it may take the form of appearing in a promotional advertisement of the brand.

The payments and benefits received by brand ambassadors, promoters or advertisers may be monetary or non-monetary in nature. Since brand ambassadorships or promoters entail the provision of a service (advertising), therefore all payments received in return for this service are treated as income.

The taxation of the income received from brand ambassadorships, promoters or advertisers will depend on the facts and circumstances of each case.

Guidance on taxation of payments or benefits received in these scenarios is available in TDM [Part 04-01-22](#).

9. Record keeping

All voluntary organisations should maintain accurate records of all payments made / benefits given to individuals to demonstrate the tax treatment applied to payments made, etc.

Recommended practices include:

- Keeping receipts, invoices, and mileage logs for travel and subsistence reimbursement and any other reimbursements.
- Recording details of all honoraria, gratuities, vouchers or other occasional payments made.

By keeping comprehensive records, organisations can clearly illustrate the basis on which payments were made and confirm that no taxable remuneration was involved (or, if taxable amounts were paid, the correct tax treatment was applied).

Guidance on record keeping is available in TDM [Part 38-03-17](#) and TDM [Part 05-01-06](#).