

## **Exemption for certain sporting national governing bodies**

### **Part 07-03-10**

This document should be read in conjunction with sections 235 and 235A Taxes Consolidation Act 1997

Document created August 2025

---



## Table of Contents

1	Introduction .....	3
2	Definitions .....	3
2.1	Relevant National Governing Body .....	3
2.2	Qualifying Project .....	4
2.3	Elite Athlete .....	4
2.4	Disability .....	4
3	Deposit Interest Retention Tax (DIRT) .....	5
4	Non-exempt uses of income .....	5
5	Administrative Procedures .....	5
5.1	Application and approval as a relevant NGB .....	5
5.2	Certification of qualifying projects .....	6
6	Tax relief on donations .....	6
7	Appendix - Examples .....	7

# 1 Introduction

Section 19 Finance Act 2024 inserts a new section 235A into the Taxes Consolidation Act 1997 (TCA), which provides an exemption from income tax or corporation tax, as the case may be, to certain categories of national governing bodies (NGBs) for sport, Olympic Federation of Ireland, and Paralympics Ireland. The section provides that an exemption applies to so much of the income of a “relevant NGB” as is applied for certain qualifying purposes before the end of the tenth year of assessment after the year in which the income was received. The qualifying projects include capital projects, the purchase of certain sporting equipment, measures to support elite athletes in competitive sport, and to support the participation of women and people with disabilities in sport.

The ‘maximum amount’ that a relevant NGB can hold for qualifying projects is €100 million. No exemption shall be given for the income in excess of the ‘maximum amount’. The new section is intended to support NGBs in planning and facilitating longer term projects by permitting the body’s income to be exempt from tax where the income is used for a qualifying project within ten years following the year in which the income was received.

This manual sets out the conditions “relevant NGBs” must meet to qualify for the exemption. It should be read in conjunction with Tax and Duty Manual [Part 07-03-08 - “Games and Sport Exemption”](#)

## 2 Definitions

### 2.1 Relevant National Governing Body

Section 235A(1) states a ‘relevant national governing body’:

- is Olympic Federation of Ireland, Paralympics Ireland or recognised by Sport Ireland as a national governing body for a sport,
- is listed as a ‘Type C’ organisation on the register maintained and published by Sport Ireland and known as the Register of Organisations in Compliance with the Governance Code for Sport,
- is approved by Minister for Tourism, Culture, Arts, Gaeltacht, Sport, and Media (now the Minister for Culture, Communications and Sport)
- has been issued with a tax clearance certificate in accordance with section 1095 and such tax clearance certificate has not been rescinded under subsection (3A) of that section, and
- is an approved body of persons as defined under section 235(1) TCA.

NB – Although the Olympic Federation of Ireland and Paralympics Ireland are not national governing bodies, they are defined as “relevant NGBs” for the purposes of the exemption under section 235A TCA.

## 2.2 Qualifying Project

“Qualifying project” is defined as a project involving-

- (a) purchasing, constructing, or refurbishing a building or structure provided by the relevant NGB for sporting or recreation activities,
- (b) purchasing land for use by the relevant NGB in providing sporting or recreation facilities,
- (c) purchasing permanently based equipment (excluding personal equipment) for use by the NGB in providing such facilities,
- (d) improving playing pitches, surfaces, or facilities of the relevant NGB,
- (e) repaying money borrowed (and paying interest on such money) by the relevant NGB on or after 1 January 2025 for any of the above-mentioned purposes,
- (f) purchasing sports equipment approved by the Minister as eligible for funding under the Community Sports Facilities Fund and that is used by the relevant NGB in its respective sport,
- (g) measures to support elite athletes in achieving excellence in “competitive sport” as defined in section 235 TCA,
- (h) measures that promote participation in sport by women, and
- (i) measures that promote the participation in sport by people with a disability

## 2.3 Elite Athlete

Section 235A(1) TCA defines “elite athlete” as someone who:

- (a) is in receipt of financial support provided by Sport Ireland under the scheme commonly known as the Sport Ireland International Carding Scheme, or
- (b) competes at a senior level, and is a participant, in a high performance training programme of a relevant national governing body in respect of which programme the body receives, from Sport Ireland, financial support commonly known as the Sport Ireland High Performance Programme Funding.

## 2.4 Disability

A ‘qualifying project’ includes measures to promote the participation in sport by people who have a disability. Disability is defined, in relation to an individual, as meaning a substantial restriction in the capacity of the individual -

- (a) to carry on a profession, business, or occupation in the State, or
- (b) to participate in social or cultural life in the State by reason of an enduring physical, sensory, mental health, or intellectual impairment.

## 2.5 Definitions related to interest income

The definitions of “appropriate tax”, “deposit”, “relevant deposit taker” and “relevant interest”, have the meaning defined in Chapter 4 of Part 8 TCA. Further information on these terms can be found in Tax and Duty Manual [Part 08-04-11 - 'Deposit Interest Retention Tax'](#). See paragraph 3 below for information on the treatment of interest income of a relevant NGB.

## 3 Deposit Interest Retention Tax (DIRT)

DIRT paid on interest from deposits held by relevant NGBs in respect of the income that will ultimately be used for one or more qualifying projects is refundable. The relevant NGB can claim a refund of DIRT on deposits that are ring-fenced for qualifying projects.

## 4 Non-exempt uses of income

The tax exemption will not apply to any part of the income of a relevant NGB used to purchase, directly or indirectly via a company, investment property (residential or commercial) situated in or outside the State, where the property is not used for sporting purposes. The exemption will also not apply where the relevant NGB spends the income on projects that are not qualifying projects for the purposes of section 235A, as outlined in paragraph 2 above.

## 5 Administrative Procedures

### 5.1 Application and approval as a relevant NGB

A body must apply to the Minister for Culture, Communications and Sport to become a relevant NGB for the purposes of section 235A. The body must provide information as directed by the Minister. Once a body shows, to the satisfaction of the Minister, that it meets the relevant criteria, the Minister may certify the body as a relevant NGB.

The relevant NGB must ensure that it is fully tax compliant and possess an up to date tax clearance certificate. A relevant NGB must also be an “approved body of persons” for the purposes of the sporting bodies tax exemption in section 235 TCA for the duration of the accumulating the funds for a qualifying project.

## 5.2 Certification of qualifying projects

The relevant NGB must apply for certification from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport, and Media that a project is a “qualifying project” for the purposes of the section. The relevant NGB must provide details of the project(s) proposed and any additional information as required by the Minister. Certification by the Minister confirms that a project is a ‘qualifying project’ for the purposes of section 235A TCA.

The Minister may, by notice in writing given to the relevant NGB, revoke the certificate assigned to a project, which means the project shall cease to be a qualifying project.

## 6 Tax relief on donations

Donations to a “relevant NGB” for an “approved project” as defined in section 847A TCA, or for a “qualifying project” as defined in section 847AA TCA, may qualify for tax relief.

Further details on tax relief under section 847A TCA can be found in Tax and Duty Manual [Part 36-00-14](#).

Section 847AA TCA was introduced in section 21 Finance Act 2024<sup>1</sup>. The measure allows for tax relief on donations to certain NGBs, provided they are utilised for certain projects which must be approved by the Minister for Culture, Communications and Sport. A tax and duty manual on section 847AA TCA will be published in due course.

---

<sup>1</sup> Tax relief under section 235A TCA is available to NGBs with Type C governance, while tax relief for donations under section 874AA TCA is available to organisations with Type B or Type C governance.

## 7 Appendix - Examples

### **Example 1: Constructing a new sports facility**

A relevant NGB accumulates €30 million over five years with a view to construct a new national sports facility. The relevant NGB meets all the qualifying criteria mentioned in section 235A(1) TCA and outlined in paragraph 2 of this TDM. The accumulated funds are used within ten years of the year in which the income was received for the purpose of constructing a new sporting facility, which is a qualifying project under the section. This means the money is exempt from income tax or corporation tax, as the case may be. Any DIRT paid on interest from deposits is refundable to the relevant NGB.

### **Example 2: Purchasing sports equipment**

A relevant NGB uses €5 million to purchase sports equipment approved under the Community Sports Facilities Fund. The purchase of sports equipment is a qualifying project for the purposes of section 235A(1) TCA, which means the money is exempt from corporation or income tax, as the case may be, providing that the money has been spent within 10 years of the year it was received. Any DIRT paid by the relevant NGB on related deposit interest is refundable.

### **Example 3: Supporting elite athletes**

A relevant NGB allocates €2 million to support elite athletes in international competition, which is a “qualifying project” under Section 235A(1) TCA. The €2 million is exempt from income or corporation, as the case may be, provided that the money is spent within 10 years of the year it was received, and any DIRT on related interest is refundable.

### **Example 4: Promoting participation in sport by women**

A relevant NGB spends €1 million on initiatives to promote women’s participation in sports. These initiatives are qualifying projects under Section 235A(1) TCA. The €1 million is exempt from income or corporation tax, as appropriate, provided that it is spent within 10 years of the year it was received, with DIRT being refundable on the interest accumulated.

### **Example 5: Non-Qualifying Use of Funds**

A relevant NGB uses €10 million to purchase an investment property that is not used for sporting purposes. The purchase of property automatically excludes the €10 million from the exemption; section 235A(2)(b) TCA specifically states that “the exemption shall not apply to any part of the income of a relevant national governing body which is used to purchase immoveable property... which property is not used for sporting purposes”. The relevant NGB must pay any tax (income or corporation tax, as appropriate) due on the money used to purchase the property.

**Example 6: Exceeding the Maximum Amount**

A relevant NGB accumulates €120 million for a qualifying project. Section 235A(1) TCA defines the 'maximum amount' that can be accumulated by a relevant NGB as €100 million. The exemption under section 235A TCA applies up to €100 million, but the excess of €20 million over the "maximum amount" does not qualify for tax exemption or a refund of DIRT, as per section 235A(2)(c) TCA.

**Example 7: Refund of DIRT**

A relevant NGB earns €5,000 in interest on deposits held for qualifying projects. The financial institution deducts DIRT from the interest, as per Chapter 4 of Part 8 TCA. The NGB can claim a refund of the DIRT deducted, under Section 235A(3) TCA.