

Deduction for donations to National Governing Bodies

Part 36-00-20

This document should be read in conjunction with sections 235, 235A, 847A and 847AA of the Taxes Consolidation Act 1997

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1 Introduction

Section 21 Finance Act 2024 inserted a new section 847AA into the Taxes Consolidation Act 1997 (TCA), which provides for a new tax relief scheme which aims to encourage donations to certain sports National Governing Bodies (NGBs), Olympics Ireland and Paralympics Ireland¹. The new provision allows a self-assessed individual taxpayer and a PAYE-only individual taxpayer the option to either:

- take a deduction for the donation (which must be at least €250 in a year of assessment) against their total income, or
- give the tax relief associated with the donation to the chosen approved NGB.

The donations must be utilised by the NGB for specific qualifying projects which:

- support the purchase of certain sports equipment for the NGB's relevant sport;
- promotes participation in sport by women and people with disabilities; or
- supports elite athletes.

2 Definitions in section 847AA

2.1 Disability

Disability in relation to an individual means a substantial restriction in the capacity of the individual to carry on a profession, business, or occupation, or to participate in social or cultural life in the state by reason of an enduring physical, sensory, mental health or intellectual impairment.

2.2 Elite athlete

An elite athlete is a person who is in receipt of financial support from Sport Ireland under the scheme commonly known as the Sport Ireland International Carding Scheme, competes at a senior level and is partaking in a high-performance training programme of an NGB, in respect of which programme the person receives funding from Sport Ireland known as Sport Ireland High Performance Programme Funding.

2.3 Minister

The Minister referred to in this TDM is the Minister Culture, Communications, and Sport (previously the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media).

¹ Although Olympics Ireland and Paralympics Ireland are not NGBs as such, section 847AA defines "NGB" as including those bodies, and the term "NGB" in this Manual also refers to those bodies.

3 National governing body (NGB)

A national governing body is an organisation responsible for the administration and regulation of a sport at national level. It is defined under section 847AA (1) TCA as the Olympic Federation of Ireland, Paralympics Ireland or an organisation recognised by Sport Ireland as a national governing body for a sport, which:

- is listed as a Type B or Type C organisation on Sport Ireland's Register of Organization's in Compliance with the Governance Code for Sport.
- is approved by the Minister for the purposes of section 847AA.
- holds valid tax clearance certificate under section 1095 TCA that has not been rescinded, and
- is an approved body of persons within the meaning of Section 235(1) TCA.

Neither the Olympic Federation of Ireland nor Paralympics Ireland is an NGB, but donations to these bodies are eligible for relief if the bodies meet the other conditions.

3.1 Exemption under section 235 TCA

An NGB must have the sports tax exemption under section 235(1) TCA to be eligible for this scheme. The NGB must apply online to Revenue for the exemption. Further information on how to make an application can be found on Revenue's website [Sports bodies tax exemption page](#).

3.2 Tax clearance certificates

An NGB can apply for tax clearance and must retain a tax clearance certificate for the duration of the scheme. Click on the link in this paragraph to [apply for a tax clearance certificate on-line](#).

4 Qualifying projects under section 847AA

A "qualifying project" must be certified by the [Minister](#) and must be a project that falls under one or more of the following categories:

- purchasing sports equipment that is eligible for funding under "Community Sport Facilities Fund" and that equipment is used for sporting or recreation activities;
- measures to support elite athletes in achieving excellence in competitive sport (within the meaning of section 235(1)(b) TCA);
- measures which form part of a 'Women in Sport' programme of the national governing body of the sport, which the body receives, from Sport Ireland, financial support commonly known and referred to as the Sport Ireland Women in Sport Programme Funding;

- measures to enable the participation in sport of persons with a disability, which form part of a programme of the NGB of the sport, for which the body receives from Sport Ireland financial support from Sport Ireland, commonly known and referred to as the Sport Ireland Core Funding or Sport Ireland Field Sport Funding.

The certificate issued by the Minister will contain a qualifying project number. The NGB will include this number on a receipt for each relevant donation made by a donor.

The Minister will not approve a project where the aggregate cost of the project is or is estimated to be over €40 million. The Minister can revoke a certificate where the donated funds cease to be used towards the funding of the project for which it was granted approval.

4.1 Application for approval of projects

An NGB must make an application for approval of projects to [Department of Culture, Communications and Sport- Sport Capital Programmes Division](#). [NB – Revenue is not responsible for the content of external websites]

5 Relevant donation

A donation is a relevant donation for the purposes of section 847AA TCA where it satisfies the following conditions:

- it is made to the NGB for the sole purpose of funding a qualifying project;
- it is or will be applied by that body for that purpose;
- it is not otherwise deductible in computing the profits or gains of a trade or profession or deductible as an expense of management in computing the profits of a company;
- it is not a relevant donation for the purposes of section 848A TCA (donations to approved bodies, such as charities) or section 847A TCA (donations to certain sports bodies);
- it is not subject to repayment;
- neither the donor nor any person connected with the donor receives a benefit, whether directly or indirectly, as a result of making the donation; (for example, a person will be regarded as receiving a benefit where a donation is in substitution in full or in part for an annual membership fee or where a donation entitles the donor to rights or enhanced rights or facilities etc. not available to members who have not made a donation - [section 10 TCA](#) sets out the circumstances where a person is regarded as “connected with” another person for tax purposes);
- the donation is not conditional on, or related to, the acquisition of

property by the approved sports body from the donor or any person connected with the donor, other than as a gift;

- where the donor is an individual, that individual:
 - i. is resident in the State for the year of assessment in which the donation is made,
 - ii. makes a donation,
 - iii. is a PAYE-only taxpayer or self-assessed individual that opts to surrender the donation relief to the NGB, the donor must also provide a completed SPR2 Form
 - iv. has paid the tax referred to in the certificate and is not entitled to a repayment of any of that tax.

The donation is the payment of a sum or sums of money to an NGB of at least €250 in a year of assessment for a donation by an individual and at least €250 in an accounting period for a donation by a company. Where an accounting period is less than 12 months the €250 is proportionally reduced; for example, if the accounting period is six months the donation must be at least €125.

6 Tax relief for donations

Section 847AA TCA “Deduction for Donations to National Governing Bodies (NGB)” is similar to section 847A TCA “Donations to certain sports bodies”, in that it provides a tax relief scheme that enables a self-assessed taxpayer and a PAYE only taxpayer the choice of whether to claim a deduction for the donation against their own total income or surrender the tax relief in respect of the donation to the NGB.

Finance Bill 2025 introduced a provision that an individual’s (self-assessed or PAYE only) decision about whether to claim the relief themselves or give it to the NGB is irrevocable, either from the date a taxpayer claims the relief or files a tax return, or at the latest by 1 December in the year after the donation was made. For self-assessed taxpayers, section 847AA(5)(f) TCA provides that the election about who gets the relief must be made by the earliest of the specified return filing date, the date the return is filed, or 1 December in the year after the year in which the donation is made². For PAYE-only taxpayers, section 847AA(4)(f) TCA provides that the election must be made by the earlier of the date on which the claim for relief is made or 1 December in the year after the year in which the donation is made

A donation does not reduce an individual’s “net relevant earnings” and therefore will not affect the calculation of maximum tax relieved pension contributions (section 847AA(4)(c) TCA).

² Although section 847AA(5)(f) TCA makes 1 December of the following year one of the possible earliest dates for the election, in practice the earliest date for the election will always be either the date the return is filed or the specified return filing date.

6.1 Self-assessed individuals

A self-assessed individual is an individual who is a “chargeable person” within the meaning of [section 959A TCA](#). A donor who is taxed under the self-assessment system but who is also a PAYE taxpayer claims the relief in her or his tax return.

6.1.1 Claiming the deduction against total income

A self-assessed individual can claim a deduction, in respect of a relevant donation made to certain NGB, from “total income”. The deduction must be claimed on the individual’s annual tax return – Form 11. The NGB must issue a receipt to the self-assessed individual to confirm payment of the relevant donation. [See example in Paragraph 11.](#)

Donors should provide the “qualifying project number” and a “unique receipt number³” to Revenue when claiming a deduction against total income (The NGB will provide these numbers at the time of when the donation is received).

6.1.2 Giving the relief to the NGB

Once a self-assessed individual has made a donation to an eligible NGB, s/he also has the option to give the relief associated with the donation to the NGB. If this option is chosen, the self-assessed individual must complete an SPR2 Cert and furnish it to the NGB. The details in all SPR2 Certs received by the NGB are collated and submitted to Revenue to claim the tax repayments associated with the donations.

6.2 PAYE only individuals

Employees (and certain office holders) that have their wages subject to income tax, USC (Universal Social Charge), and PRSI (Pay Related Social Insurance) deductions through the PAYE system are known as PAYE workers.

³ For 2025 donations, an NGB may not have implemented a unique numbering system for each relevant donation received. The qualifying project number should still be included on the receipt or made available to a donor where a relevant donation is made for a particular qualifying project.

6.2.1 Claiming the deduction against total income.

PAYE employees who opt to claim the tax relief themselves can submit their claim for relief on their return of income, the Form 12. The NGB receiving the donation must issue a receipt to the PAYE employees confirming the amount of the donation. [See example in Paragraph 11.](#)

Donors should provide the “qualifying project number” and a “unique receipt number⁴” to Revenue when claiming a deduction against total income (The NGB will provide these numbers at the time of when the donation is received).

6.2.2 Giving the relief to the NGB

PAYE employees who give the relief to the NGB must complete and furnish to the NGB an SPR2 Form. If the total amount of tax referred to in the SPR2 has not been paid, the amount of any repayment due to the NGB shall not exceed the amount of tax actually paid by the taxpayer. The PAYE employee is not entitled to claim tax relief on that same amount given to the NGB. [See example in Paragraph 11.](#)

6.3 Repayment of tax to national governing bodies

Where the relief is surrendered by the donor to an NGB, such relief will be claimable online by the NGB on or after 1 December in the year after the relevant year of assessment in which the donation is made. For example, for a donation made in the tax year 2025, the NGB can claim the relief on or after 1 December 2026.

6.4 Corporate donations

The treatment of corporate donations is the same as for donations under section 847A to certain sports bodies. Where a company makes a relevant donation to an eligible NGB, the amount of the donation is treated as (a) a deductible trading expense of a trade carried on by the company, or (b) an expense of management deductible in computing total profits of the company for the accounting period in which the donation was made.

⁴ Footnote 1 also applies to PAYE claims for tax relief.

7 Receipt for relevant donation

On receiving a [relevant donation](#) the NGB must issue a [receipt](#) to the donor.

This receipt must —

- (a) contain a statement that
 - (i) it is a receipt for the purposes of section 847AA,
 - (ii) the body is an NGB (as defined above) for the purposes of this section,
 - (iii) the donation is a relevant donation, and
 - (iv) the relevant donation will be defrayed on a qualifying project,
- (b) show —
 - (i) the name and address of the person making the relevant donation,
 - (ii) the amount of the relevant donation in both figures and words,
 - (iii) the date the relevant donation was made,
 - (iv) the full name of the national governing body, and
 - (v) the date the receipt was issued, and
 - (vi) qualifying project number⁵ of the qualifying project issued by the Minister,
 - (vii) a unique receipt number⁶, and
- (c) be signed by a duly authorised official of the NGB.

8 Tax exemption

Where relief has been granted in respect of a relevant donation for a qualifying project and that donation has not been used by the NGB for that same project, or where the relief is found to be not due then the amount donated does not qualify for exemption from tax under section 235(2) TCA or section 235A(2) TCA.

9 Obligations of an NGB

An NGB must maintain records of all donations received and issue receipts to the donors who make relevant donations. An NGB should not issue any receipts where the €40 million threshold has been reached or where the approved project amount has been reached. The NGB must include the “qualifying project number” and a “unique receipt number” on receipts as introduced in Finance Bill 2025 ([See example in Paragraph 11](#)). It must deliver a return, when requested by the Minister, containing particulars of aggregate amount of relevant donations received by the body in respect of each qualifying project. Where a donor surrenders the tax relief,

⁵ The qualifying project number should be included on the receipt or made available to a donor where a relevant donation is made for a particular qualifying project.

⁶ For 2025 donations, an NGB may not have implemented a unique numbering system for each relevant donation received.

the NGB can submit a claim to Revenue after 1 December in the year following the year of assessment in which the donation was made. They must ensure they have a valid tax clearance certificate.

10 When relief is not available

Relief will not be given, in respect of the relevant donation(s), if

- the total donation(s) for the project exceeds €40 million, or approved project amount,
- if the donation is made on condition that the NGB acquires property for the benefit of the donor or connected parties,
- if the NGB does not hold a valid tax clearance certificate,
- where the donor directly or indirectly received any benefit or advantage from the donation,
- the project has not been approved by the Minister,
- the donation is less than €250.

11 Examples

Examples for self-assessed taxpayers from 1 January 2025

The self-assessed individual can elect to either claim a deduction for the relevant donation against their total income (option 1) or surrender the tax relief to an NGB (option 2).

Option 1: A self-assessed individual claims a tax deduction for their relevant donation against total income.

Ms Dalton is a self-assessed individual who donates €1,250 to an NGB in 2025 tax year. She elects to have the donation amount deducted from her total income. She pays tax at 40%.

Process:

- Ms Dalton donates €1,250 to an NGB in 2025.
- Ms Dalton opts to claim a deduction. She must claim the deduction in her annual tax return –2025 Form 11. The return is filed on or before the 31st October 2026 (ROS filing deadline is mid-November).
- Ms Dalton does not upload the receipt but retains it for six years and she will furnish it to Revenue when requested to do so.

Calculation:

- Ms Dalton is taxed at **40%**, the tax saving is the Donation × Tax Rate = €1,250 × 40% = **€500**

Outcome:

- The NGB receives a €1,250 donation in 2025.
- Ms Dalton can claim a deduction of €1,250 from her 2025 total income by submitting a Form 11 online on or before 31 October 2026. This may result in a refund for 2025.
- The NGB has four years to claim the relief (subject to s865(4) TCA) .

Option 2: Self assessed individual gives the tax relief on the qualifying donation to an NGB

Mr. Sweeney is a self-assessed individual. He donates €800 to an NGB in 2025. He elects to surrender the tax relief on the qualifying donation to the NGB. Mr Sweeney is subject to the standard rate of tax.

Process:

- Mr. Sweeney provides a completed SPR2 cert to the NGB.
- Mr. Sweeney cannot claim a deduction for the donation in his 2025 Form 11.

Process for the NGB:

- When applying for a repayment of the relevant tax, the NGB must submit the details contained in the SPR2 cert given to it by each of the donors to the Revenue Commissioners and confirm that the details are correct and complete.

Calculation:

- Grossed-Up Amount = Donation / (1 - Tax Rate)
- Grossed-Up Amount = €800 / (1 - 0.20) = €1,000
- Tax deducted: Grossed-Up Amount - Donation = €1,000 - €800 = €200

Outcome:

- The NGB receives a €800 donation in 2025
- The NGB can claim a repayment of €200 from the Revenue Commissioners after 1 December 2026.
- The total benefit to the NGB is €1,000.
- The NGB has four years to claim the relief (subject to s865(4) TCA)

Examples for PAYE-only taxpayers from 1 January 2025

A PAYE only worker can elect to either claim a deduction for the relevant donation against their total income (option 1) or surrender the tax relief to the NGB (option 2) for specific capital projects as defined under s847AA TCA.

Option 1: Individual claims a tax deduction against total income for their relevant donation

Mr. Meehan is a PAYE-only worker who is resident in Ireland. He donates €700 to an NGB in the 2025 tax year. He elects to have the donation deducted from his total income

- Mr. Meehan makes a €700 donation in 2025.
- Mr Meehan submits a claim through MyAccount by filing a Form 12. Mr Meehan will also provide details on the Form 12 concerning the project for which the relevant donation is made i.e. qualifying project number and unique receipts number.
- The €700 donation is deducted from his total income, reducing his taxable income for 2025. A refund may issue.
- This results in a tax saving calculated at his marginal tax rate.

Calculation:

- Mr Meehan is taxed at 40%, the tax saving is the donation \times Tax Rate = €700 \times 40% = €280

Outcome:

- The NGB receives a €700 donation in 2025.
Mr. Meehan can claim a deduction of €700 from his 2025 total income by submitting a Form 12 online by 31 October 2026. This may result in a refund for 2025.

Option 2: PAYE only individual surrenders the tax relief on the qualifying donation to an NGB

Rita is a PAYE taxpayer. She pays the standard rate of tax. During 2025 tax year, she donates €500 to an NGB. She elects to surrender the relief to the NGB.

Process:

- Rita makes a €500 donation to the NGB and a SPR2 cert to the NGB

Process for the NGB

- When applying for a repayment of the relevant tax, the NGB must submit the details contained in the SPR2 cert given to it by each of the donors to the Revenue Commissioners and confirm that the details are correct and complete.

Calculation:**1. Grossed-Up Amount:**

- $\text{Grossed-Up Donation} = \text{Donation Amount} \div (1 - \text{Tax Rate})$
- $\text{Grossed-Up Donation} = €500 \div (1 - 0.20) = €625$

2. Relevant Tax Associated with Donation:

- $\text{Tax Relief} = \text{Grossed-Up Donation} - \text{Actual Donation}$
- $\text{Tax Relief} = €625 - €500 = €125$

Outcome:

- The NGB receives a €500 donation in 2025
- The NGB can claim a repayment of €125 from the Revenue Commissioners after 1 December 2026.
- The total benefit to the NGB is €625.

12 Sample receipt for relevant donation to a National Governing Body

This is a receipt given, in respect of the amount stated hereunder, for the purposes of section 847AA TCA.

The National Governing Body named hereunder and the donation in respect of which this receipt is given is a relevant donation for the purposes of section 847AA TCA.

Full name of the National Governing Body

Qualifying Project Number

Is the person making the donation an individual or a company? (tick as appropriate)

Unique Receipt Number⁷

Name of the individual or company making the donation

Address

Amount of the donation: (a) € _____
and (b) in words _____

Date on which the donation was made

Name

(Block Capitals)

Capacity

(e.g. Chairperson, Hon. Secretary, Hon. Treasurer etc.)

Signature

Date

⁷ For 2025 donations, an NGB may not have implemented a unique numbering system for each relevant donation received.