

Since April 2002, many local amateur sports clubs have been able to register with HMRC as Community Amateur Sports Clubs (CASCs) and benefit from a range of tax reliefs including Gift Aid.

Speak to your local **abacus** accountant who can help you register your sports club and ensure you meet all the required legislation.

What kind of Club can register?

Broadly speaking, a club seeking to register must:

- be open to the whole community
- be organised on an amateur basis
- have as its main purpose providing facilities for, and promoting participation in, one or more eligible sports.

Open to the whole community

A club is open to the whole community if:

- membership of the club is open without discrimination
- the club's facilities are open to members without discrimination and
- any fees are set at a level that does not pose a significant obstacle to membership or use of the club's facilities.

Discrimination

Discrimination includes:

- discrimination on grounds of ethnicity, nationality, sexual orientation, religion or beliefs
- discrimination on grounds of sex, age or disability, except as a necessary consequence of the requirements of a particular sport.

This does not prevent a club from having different classes of membership depending on:

- the age of the member
- whether the member is a student
- whether the member is waged or unwaged
- whether the member is a playing or a non-playing member
- how far from the club the member lives
- any restriction on the days or times when the member has access to the club's facilities.

If a club effectively discriminates by only accepting members who have already reached a certain standard it would not come within the CASC requirements.

Level of fees

The legislation does not specify what an acceptable level of fees is, but most members of the community must be able to afford them. Clubs involved with inherently expensive sports that want to register as CASCs will need to be able to demonstrate that membership and participation is within the financial reach of the wider community. This might be achieved by using other income to cross-subsidise fees or by the club making club-owned equipment available for use by members at reduced rates.

Organised on an amateur basis

A club is organised on an amateur basis if:

- it is non-profit making
- it provides for members and their guests only the ordinary benefits of an amateur sports club and
- its governing document requires any net assets on the dissolution of the club to be applied for approved sporting or charitable purposes.

Non-profit making

A club is non-profit making if its governing document requires any surplus income or gains to be reinvested in the club. Surpluses or assets cannot be distributed to members or third parties.

Ordinary benefits of an amateur sports club

The ordinary benefits of an amateur sports club are:

- provision of sporting facilities
- reasonable provision and maintenance of club-owned sports equipment
- provision of suitably qualified coaches
- provision, or reimbursement of the costs, of coaching courses
- provision of insurance cover
- provision of medical treatment
- reimbursement of reasonable travel expenses incurred by players and officials travelling to away matches
- reasonable provision of post-match refreshments for players and match officials
- sale or supply of food or drink as a social adjunct to the sporting purposes of the club.

Payments to members

A club is allowed to:

- enter into agreements with members for the supply to the club of goods or services or
- employ and pay remuneration to staff who are club members.

So a CASC could pay members for services such as coaching or grounds maintenance but would not, for example, normally pay members to play.

Eligible sports

Eligible sports are defined in the legislation by reference to the Sports Council's list of recognised activities. The list is set out in an appendix at the end of this factsheet.

How to register as a CASC

Application should be made to HMRC's Sports Club Unit.

An application form can be found at:

<https://www.gov.uk/government/collections/community-amateur-sports-clubs-forms>.

The following information should also be sent:

- a copy of the CASC's governing document – this might be a Constitution, Rules or Memorandum & Articles of Association

- a copy of the CASC's latest accounts
- a copy of any prospectus, member's handbook, rule book etc.

HMRC will notify the club either to confirm registration and the effective date or there might be a refusal to register. In this case some clubs may then be able to reapply at a later date if they change their rules.

HMRC have the discretion to make registration effective from a date before the application – often the beginning of the accounting period in which the application is made. Where a club has to change its rules to be registered, the registration is only effective from the date the revised rules were formally adopted.

There is no provision in the legislation for a club to deregister – once a CASC always a CASC.

Tax reliefs for registered CASCs

CASCs can reclaim basic rate tax on Gift Aid donations made to them by individuals but CASC subscriptions are not eligible as Gift Aid payments.

CASCs are treated as companies for tax purposes. Therefore their profits may be chargeable to corporation tax.

CASCs can claim the following tax reliefs:

- exemption from Corporation Tax on profits from trading where the turnover of the trade is less than £30,000
- exemption from Corporation Tax under Schedule A on income from property where the gross income is less than £20,000
- exemption from Corporation Tax on interest received
- exemption from Corporation Tax on chargeable gains.

If the club has only been a registered CASC for part of an accounting period the limits of £30,000 (for trading) and £20,000 (for income from property) are reduced proportionately.

Only interest and gains received after the club is registered are exempted.

Example

A CASC runs a trade with turnover of £40,000 and profit of £6,000. Because the turnover exceeds the £30,000 limit the profit is taxable. The CASC also has gross rental income of £12,000. The gross rental income is below the exemption limit and is not taxable.

Claiming the tax reliefs

Where a CASC receives a tax return, relief can be claimed in the return. However, most clubs do not receive a tax return each year. If the club has had tax deducted from its income or if it has received Gift Aid payments, it can claim a repayment from HMRC.

Non-domestic rates relief

CASCs in England and Wales get the same relief that would be available to a charity (80% mandatory relief) where the CASC property is wholly or mainly used for the purposes of that club. For CASCs in Scotland, the Scottish Executive has agreed voluntary relief with local authorities for the same amount.

Relief for donors

- individuals can make gifts to CASCs using the Gift Aid scheme. **abacus** have a separate factsheet giving further details of the Gift Aid scheme
- businesses giving goods or equipment that they make, sell or use get relief for their gifts

- gifts of chargeable assets to CASCs are treated as giving rise to neither a gain nor a loss for capital gains purposes.

How abacus can help

Please contact your local **abacus** accountant if you have any queries relating to the rules on CASCs. **abacus** would be delighted to help.

This material is published for the information of clients. It provides only an overview of the regulations in force at the date of publication, and no action should be taken without consulting the detailed legislation or seeking professional advice. Therefore no responsibility for loss occasioned by any person acting or refraining from action as a result of the material can be accepted by the authors or the firm.

APPENDIX

List of activities recognised by the Sports Council

The following table is from the list published by the Sports Council in October 2018. If your sport is not on this list, check the following link in the event that the sport has recently been added:

<http://www.sportengland.org/our-work/national-work/national-governing-bodies/sports-that-we-recognise>

Aikido	Baton Twirling	• Hsing Yi	• Latin
Air Sports	Biathlon	• Kung Fu	• Highland Dancing
• Flying	Billiards (& Snooker)	• Lua Gar	• Scottish Country
• Aerobatic Flying	Bobsleigh	• Lion Dance	• Folk Dance
• Aero Model Flying	Boccia	• Modern Wushu	Darts
• Ballooning	Bowls	• Praying Mantis	Disability Sport
• Gliding	• Crown	• Qigong	See table below
• Hang/Paragliding	• Federation	• Qingda	Dodgeball
• Microlight	• Short Mat	• Sanshou	Dragon Boat Racing
• Parachuting	Boxing	• Shaolin (Northern)	Equestrian
• Popular Flying	Camogie	• Shaolin (Southern)	• Dressage
American Football	Canoeing	• Tai Chi	• Carriage Driving
Angling	• Marathon	• Taijiquan	• Endurance
• Federation	• Polo	• Tiger Crane	• Vaulting
• Course	• Wild Water Racing	• Traditional Wushu	• Show jumping
• Game	• Freestyle	• White Crane	• Harness Racing
• Sea	• Sea Kayaking	• Wing Chun	• Polocrosse
Archery	• Slalom	Cricket	• Eventing
• Target	• Surf Kayak	Croquet	• Reining
• Field	• Open Canoeing	Curling	• Mounted Games
Arm Wrestling	• Sprint	Cycling	• Horseball
Athletics	Caving	• BMX	• Horse Racing
• Mountain/Fell	• Cave Diving	• Mountain Biking	Exercise and Fitness
• Road	• Pot Holing	• Road	• Keep Fit
• Track & Field	• Mine Exploration	• Cycle Speedway	• Medau
• Cross Country	Chinese Martial Arts	• Track	• Margaret Morris Movement
Australian Rules F'ball	• Bagua	• Cyclo Cross	
Badminton	• Chinese Boxing	• Downhill	Fencing
Baseball	• Eagle Claw	Dance	Fives
Basketball	• Freestyle	• Ballroom	...continued

APPENDIX - continued

List of activities recognised by the Sports Council

continued...	Ju-Jitsu	<ul style="list-style-type: none"> • Karting 	Rowing
<ul style="list-style-type: none"> • Eton 	Kabaddi	<ul style="list-style-type: none"> • Rallycross 	Rugby League
<ul style="list-style-type: none"> • Rugby 	Karate	<ul style="list-style-type: none"> • Rallying 	<ul style="list-style-type: none"> • Touch
Floorball	Kendo	<ul style="list-style-type: none"> • Sprints 	Rugby Union
Football	<ul style="list-style-type: none"> • Iaido 	<ul style="list-style-type: none"> • Time Attack 	<ul style="list-style-type: none"> • Tag
<ul style="list-style-type: none"> • Futsal 	<ul style="list-style-type: none"> • Jodo 	<ul style="list-style-type: none"> • Trials 	<ul style="list-style-type: none"> • Sevens
Gaelic Games	Kite Surfing	Mountaineering	<ul style="list-style-type: none"> • Touch
<ul style="list-style-type: none"> • Handball 	Korfball	<ul style="list-style-type: none"> • Abseiling 	Sailing
<ul style="list-style-type: none"> • Football 	Lacrosse	<ul style="list-style-type: none"> • Bouldering 	<ul style="list-style-type: none"> • Sailing
<ul style="list-style-type: none"> • Hurling 	Life Saving	<ul style="list-style-type: none"> • Climbing 	<ul style="list-style-type: none"> • Sportsboats
Goalball	Luge	<ul style="list-style-type: none"> • Trekking 	<ul style="list-style-type: none"> • Powerboating
Golf	Modern Pentathlon	Netball	<ul style="list-style-type: none"> • Windsurfing
Gymnastics	Motor Cycling	Orienteering	<ul style="list-style-type: none"> • Personal Watercraft
<ul style="list-style-type: none"> • Men's Artistic 	<ul style="list-style-type: none"> • Road Racing 	Parkour	<ul style="list-style-type: none"> • Motor Cruising
<ul style="list-style-type: none"> • Women's Artistic 	<ul style="list-style-type: none"> • Trials 	Petanque	<ul style="list-style-type: none"> • Inland Boating
<ul style="list-style-type: none"> • Rhythmic 	<ul style="list-style-type: none"> • Enduro 	Polo	Sand & Land Yachting
<ul style="list-style-type: none"> • Team Gym 	<ul style="list-style-type: none"> • Motocross 	Pool	Shinty
<ul style="list-style-type: none"> • Acrobatics 	<ul style="list-style-type: none"> • Track Racing 	Quoits	Shooting
<ul style="list-style-type: none"> • Trampolining / DMT 	<ul style="list-style-type: none"> • Super Moto 	Rambling	<ul style="list-style-type: none"> • Federation
<ul style="list-style-type: none"> • Tumbling 	<ul style="list-style-type: none"> • Drag/Sprint 	<ul style="list-style-type: none"> • Rambling 	<ul style="list-style-type: none"> • Clay Target
<ul style="list-style-type: none"> • Aerobics 	<ul style="list-style-type: none"> • Speedway 	<ul style="list-style-type: none"> • Long Distance Walking 	<ul style="list-style-type: none"> • Pistol
Handball	<ul style="list-style-type: none"> • Rallying 		<ul style="list-style-type: none"> • Small-bore Rifle
<ul style="list-style-type: none"> • Olympic 	<ul style="list-style-type: none"> • Sidecar Racing 	Real Tennis	<ul style="list-style-type: none"> • Rifle
Hockey	<ul style="list-style-type: none"> • Hill Climbing 	Roller Sports	<ul style="list-style-type: none"> • Muzzle Loaders
Horse Racing (equestrian)	Motor Sports	<ul style="list-style-type: none"> • Speed 	Skateboarding
Hovercraft Racing	<ul style="list-style-type: none"> • Autotests 	<ul style="list-style-type: none"> • Inline Hockey 	Skeleton
Ice Hockey	<ul style="list-style-type: none"> • Autosolo 	<ul style="list-style-type: none"> • Artistic 	Skipping
Ice Skating	<ul style="list-style-type: none"> • Autocross 	<ul style="list-style-type: none"> • Skater Hockey 	Snooker (& Billiards)
<ul style="list-style-type: none"> • Short Track 	<ul style="list-style-type: none"> • Circuit Racing 	<ul style="list-style-type: none"> • Freestyle 	Snow Sport
<ul style="list-style-type: none"> • Figure 	<ul style="list-style-type: none"> • Drag Racing 	<ul style="list-style-type: none"> • Roller Hockey 	<ul style="list-style-type: none"> • Skiing
<ul style="list-style-type: none"> • Synchronised 	<ul style="list-style-type: none"> • Cross Country 	<ul style="list-style-type: none"> • Roller Derby 	<ul style="list-style-type: none"> • Snowboarding
Judo	<ul style="list-style-type: none"> • Hill Climbing 	Rounders	...continued

APPENDIX - continued

List of activities recognised by the Sports Council

continued...	<ul style="list-style-type: none"> • Long Board 	Table Tennis	<ul style="list-style-type: none"> • Racing
<ul style="list-style-type: none"> • Telemark 	<ul style="list-style-type: none"> • Body Board 	Taekwondo	<ul style="list-style-type: none"> • Tournament
Softball	<ul style="list-style-type: none"> • Skim Board 	Tang Soo Do	<ul style="list-style-type: none"> • Wakeboarding
Sombo	<ul style="list-style-type: none"> • Standup Paddle 	Tennis	Weightlifting
Squash	<ul style="list-style-type: none"> • Body Surf 	Tenpin Bowling	<ul style="list-style-type: none"> • Olympic Powerlifting
<ul style="list-style-type: none"> • Squash 	Surf Life Saving	Triathlon	Wheelchair Basketball
<ul style="list-style-type: none"> • Racketball 	Swimming	Tug of War	Wheelchair Rugby
Stoolball	<ul style="list-style-type: none"> • Swimming 	Ultimate (Frisbee)	Wrestling
Sub-Aqua	<ul style="list-style-type: none"> • Diving 	Volleyball	<ul style="list-style-type: none"> • Olympic Freestyle
<ul style="list-style-type: none"> • Underwater Hockey 	<ul style="list-style-type: none"> • Synchronised 	Water Skiing	Yoga
Surfing	<ul style="list-style-type: none"> • Water Polo 	<ul style="list-style-type: none"> • Barefoot 	(end)
<ul style="list-style-type: none"> • Short Board 	<ul style="list-style-type: none"> • Open Water 	<ul style="list-style-type: none"> • Cable Ski 	
<ul style="list-style-type: none"> • Knee Board 	<ul style="list-style-type: none"> • Long Distance 	<ul style="list-style-type: none"> • Knee Board 	

Disability Sports

British Blind Sport
Cerebral Palsy Sport
UK Deaf Sport
UK Sports Association for People with Learning Disability
British Amputee and Les Autres Sports Association
British Paralympic Association
British Wheelchair Sports Foundation