



## Tax reliefs for community amateur sports clubs

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In his March 2001 Budget speech the Chancellor Gordon Brown announced proposals to extend tax reliefs for amateur sports clubs.<sup>1</sup> To this end a consultation document – *Promoting sport in the community* – was published in November 2001,<sup>2</sup> and in his 2002 Budget the Chancellor confirmed that a package of tax measures would be introduced, “to enable amateur sports clubs to reduce tax bills to gain additional benefit from donations that are made by local supporters.”<sup>3</sup> The purpose of this reform is to allow clubs who cannot or do not wish to apply for charitable status – and enjoy the tax advantages all charities are entitled to – to be eligible for similar tax reliefs on income and donations.<sup>4</sup> It has coincided with a wider review of sports clubs’ charitable status carried out by the Charity Commission – resulting in new guidance being published by the Commission at the time of the Budget.<sup>5</sup> This note discusses both these issues, and touches on the related question of non domestic rate relief for non-profit making sports.<sup>6</sup>

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### A. Charitable status and tax relief

To attain charitable status, an organisation must exist for purposes which are legally charitable. The position of sporting organisations within the current legal framework is somewhat complicated. The encouragement of sport is *not* usually charitable in its own right, but may be charitable where the sport is part of another activity which is itself charitable.<sup>7</sup> For example, sporting activities which are connected with educational activities – for

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<sup>1</sup> HC Deb 7 March 2001 c 300

<sup>2</sup> HM Treasury press notice 134/01, 30 November 2001

<sup>3</sup> HC Deb 17 April 2002 c 586

<sup>4</sup> *Budget 2002* HC 592 April 2002 para 5.71

<sup>5</sup> Charity Commission press notice PR 29/02, 18 April 2002

<sup>6</sup> A second standard note examines this issue at length: “Business rates: relief for sports clubs”, SN/HA/1410 5 November 2002.

<sup>7</sup> In *Re Nottage* [1895] 2 Ch 649 a trust which had been set up to provide a prize for a yacht race was held not to be charitable.

example helping to provide facilities for sport at schools and universities, or encouraging the take up of particular sports by the young – may be charitable.

There has been some concern as to whether all amateur sports clubs should enjoy the same tax advantages, whether they qualify as charities or not (and hence share the tax privileges accorded all charities). Of the tax reliefs charities enjoy, arguably the most valuable is provided under the Gift Aid scheme, which allows income tax relief for single donations of any size by individuals. In addition charities are exempt from paying income tax or corporation tax in respect of income applied solely to charitable purposes.<sup>8</sup> The issue was raised in a written answer in December 1999, which noted the Charity Commission was to consult on the matter:

**Dr. Palmer:** To ask the Chancellor of the Exchequer if he will give community sports clubs comparable status to charities as regards exemption from taxes.

**Dawn Primarolo:** Some sports organisations already qualify as charities and so enjoy the same tax benefits as other charities. In addition, many non-charitable sports clubs are exempt from direct tax on the income they earn from their members and from VAT on their playing members' subscriptions. The Charity Commission plans to consult next year on the extent to which sport is a charitable purpose in its own right.<sup>9</sup>

In addition local authorities may be guided by the charitable status of an amateur club in setting their priorities for non domestic rate relief. In September 2000 the Government published a green paper on local government finance; amongst other issues, the paper sought views on whether the current arrangements for non-profit making sports clubs enjoying rate relief should be amended.<sup>10</sup> Annex E to the paper gives details of these arrangements, and the criticisms that have been made of their operation; an extract is reproduced below:

Local authorities in England may grant up to 100 per cent rate relief to non-profit making sports. This is a discretionary power, so authorities themselves set their own policies for the rate relief and make decisions on individual cases. Where they decide to grant relief, 75 per cent of the cost is funded centrally and 25 per cent has to be met by the local authority and, therefore, the local authority taxpayers. The arrangements are the same in Wales but different in Scotland and Northern Ireland. In Scotland, the rate relief is also discretionary and decided by local authorities, who may grant up to 100 per cent relief. But all of the relief is funded centrally. In Northern Ireland, many sports receive a mandatory 65 per cent relief, through the valuation, for any part of their property used solely for the sport. The current arrangements have attracted criticism from sports organisations. They feel that sports clubs are treated

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<sup>8</sup> An introduction to the tax reliefs charities enjoy is given in *Taxation of charities*, Library Research paper 01/46 12 April 2001. Detailed information for both charity donors and charities themselves is published on the Inland Revenue's internet site at: <http://www.inlandrevenue.gov.uk/charities/index.htm>.

<sup>9</sup> HC Deb 7 December 1999 c 521W

<sup>10</sup> DETR, *Local Government Finance: A Green Paper*, September 2000 para 5.28. This part of the Green Paper is available on the DLTR internet site at: [www.local.dtlr.gov.uk/greenpap/annexe.htm](http://www.local.dtlr.gov.uk/greenpap/annexe.htm).

inconsistently between England and Wales, Scotland and Northern Ireland and also between different local authorities. They feel that this inconsistency is unfair. They are also concerned that some authorities operate rate relief policies that seem to change from year to year.<sup>11</sup>

Many in this sector have argued that there should be a definition which could be employed in all circumstances in which amateur sports clubs might be given tax advantages. To this end, Andrew Reed MP introduced the *Community and Amateur Sports Clubs (National Standards) Bill* as a Ten Minute Rule Bill in June 2000; an extract of his speech is given below:

My Bill is simple in its purpose, yet its benefits to sport could be enormous, because it will tightly define community and amateur sports clubs in law. Setting out that definition in the Bill will allow such clubs to be recognised by bodies such as, for example, the Charity Commission, the Inland Revenue, the Treasury and local authorities, for the purpose of deciding matters such as rate relief ...

There will be increased rate bills for many sports clubs arising from the revaluation of properties this year. Most importantly, many sports clubs do not receive rate relief because many local authorities find it difficult to afford the 25 per cent. that is required after offsetting from the national non-domestic pool. Rate relief also varies too much between different parts of the country. Some local authorities are very good and give 100 per cent. rate relief despite only getting 75 per cent. back from central Government. The CCPR estimates that rate relief for sports clubs would cost the Treasury just £35 million per annum, which is not too high a price to pay ... As it stands, the law stops short of recognising the promotion of any particular sport as a charitable purpose per se. I understand that the issues are complex, and that there has been consultation about the status of community and amateur sports clubs following the test case of North Tawton rugby club in Devon in 1995. I know that the Charity Commission has been looking at the matter closely, and I hope that it can see the massive discrepancies caused by the current definition ... This short Bill would simply define the legal status of community and amateur sports clubs. Its scope is limited and I commend it to the House.<sup>12</sup>

As Mr Reed mentioned, the Charity Commission has been reviewing its register of charities, to ensure that organisations which are on the register should continue to benefit from charitable status and to examine whether the boundaries of charitable status can be extended further within the current law. In March 1999 it issued a discussion document on the interpretation of the *Recreational Charities Act 1958*.<sup>13</sup> The Act has quite a narrow scope, and although some sporting facilities can be classed as charitable using its provisions, the question of whether the promotion of sport more generally should be seen as charitable was left to a second consultation paper published in December 2000.<sup>14</sup> In this, the Commission

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<sup>11</sup> *op.cit.* para E2-E4

<sup>12</sup> HC Deb 21 June 2000 cc 353-6

<sup>13</sup> Its conclusions informed a new guidance note: *The Recreational Charities Act 1958* (RR4), August 2000.

<sup>14</sup> Charity Commission, *The promotion of sport*, December 2000. The document is available on the Commission's site at: [www.charity-commission.gov.uk/enhancingcharities/pdfs/rorpos.pdf](http://www.charity-commission.gov.uk/enhancingcharities/pdfs/rorpos.pdf)

acknowledged that the promotion of sport in itself could not be treated as charitable – the law is clear on that point – though it went on to argue that it might be possible to register as charitable organisations which exist to promote health through sport. Although the *Community and Amateur Sports Clubs (National Standards) Bill* made no further progress, it is clear the Government has been aware of these concerns and in the March 2001 Budget it announced it would consult on the tax position of clubs, having received a “a number of representations seeking extension of the reliefs to amateur sports clubs that play a valuable and important role in promoting the health and cohesion of their local communities but do not attract tax relief, because they are not recognised as charitable.”<sup>15</sup>

Linked with this, in June 2001 the Performance and Innovation Unit (PIU) at the Cabinet Office started work on a “review of the legal and regulatory framework for charities and the voluntary sector.” One of its aims was to examine the current legal definitions of voluntary organisations and the regulatory framework under which they operate, to “assess how [the sector] could better enable existing organisations to thrive and grow, encourage the development of new types of organisation, and ensure public confidence.”<sup>16</sup> In September 2002 the Prime Minister’s Strategy Unit published a consultation document with proposals for change in four areas: modernising charity law, improving the range of legal forms available for charities and social enterprises, building trust in the sector, and maintaining that trust by independent, transparent and fair regulation.<sup>17</sup> Comments are invited by 31 December 2002.<sup>18</sup>

## **B. Consultation on tax relief and charitable status**

On 30 November 2001 the Government published its proposals for amending the tax treatment of community amateur sports clubs (CASCs); in addition the Charity Commission announced its decision on charitable status:

**Mr. Reed:** To ask the Secretary of State for Culture, Media and Sport what discussions she has had with the Chancellor of the Exchequer about tax relief for community and amateur sports clubs.

**Mr. Caborn:** My Department has been in regular dialogue with HM Treasury and the Inland Revenue following my right hon. Friend the Chancellor of the Exchequer’s announcement in his Budget speech of his intention to consult on a tax relief for community amateur sports clubs. My officials have also been in close dialogue with

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<sup>15</sup> *Budget 2001* HC 279 March 2001 p 99. Kate Hoey, then Minister of State at the Department for Culture, Media & Sport, also noted in a PQ in March 2001 that she had had meetings “with ministerial colleagues and representatives from across the sports sector including the Central Council of Physical Recreation” on this issue (HC Deb 13 March 2001 c 567W).

<sup>16</sup> Further details are given on the PIU site at: [www.cabinet-office.gov.uk/innovation/2001/charity/main.shtml](http://www.cabinet-office.gov.uk/innovation/2001/charity/main.shtml).

<sup>17</sup> Cabinet Office press notice, *Strategy Unit proposes major shake-up of charity law*, 25 September 2002. The Strategy Unit was formed following a merger of the PIU and the Prime Minister’s Forward Strategy Unit in July 2002.

<sup>18</sup> Strategy Unit, *Private action, public benefit: a review of charities and the wider not-for-profit sector*, September 2002. The report is at: [www.cabinet-office.gov.uk/innovation/2002/charity/index.shtml](http://www.cabinet-office.gov.uk/innovation/2002/charity/index.shtml)

representatives of Sport England, Central Council of Physical Recreation and National Playing Fields Association on this issue. Following the pre-Budget report this week, the Government are pleased to announce that the Treasury is today launching a consultation document on the best way for tax relief to help community amateur sports clubs that make a positive contribution to their local communities.

The Charity Commission has also today announced that it will recognise as charitable community amateur sports clubs who promote participation in healthy recreation by the provision of facilities for the playing of particular sports. This development should enable many community amateur sports clubs to obtain charitable status and the tax relief that goes with it. My officials have been in discussion with the Charity Commission about the potential impact of this development.<sup>19</sup>

In light of the Commission's decision, the Treasury's consultation document posed the question whether respondents would prefer the introduction of a separate tax package for CASCs, or simply to apply for charitable status under the Commission's revised criteria. The document went on to make clear that for clubs in Scotland and Northern Ireland – which apply to the Revenue to be registered as a charity for tax purposes<sup>20</sup> – it was expected that the Revenue would take the Commission's guidance into account:

The Government's aim is to help CASCs that make a positive contribution to their local Communities ... The proposed criteria for registering as a CASC are:

- the club must have open membership and this must be enshrined in its constitution. Anyone seeking to take part must be able to do so without discrimination;
- the club must be organised permanently on a non-commercial basis. No payment or benefit to its members should be allowed, subject to certain exceptions set out in Annex A [to this document];
- the main purpose of a club must be to facilitate and promote participation in an eligible sport or sports. The Government proposes that eligible sports would initially be based on the list of activities recognised by the Sports Councils of England, Wales, Scotland and Northern Ireland ...

[On the specific question of tax reliefs, the Government] proposes that:

- CASCs should be able to reclaim basic rate income tax on gifts of money, on a similar basis to Gift Aid;
- gifts to CASCs should be exempt from inheritance tax;
- gifts of assets to CASCs should be treated as disposals made on a no gain, no loss basis;

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<sup>19</sup> HC Deb 30 November 2001 c 1150W. At this time the Commission published details on the implications of its decision to recognise as charitable purposes “the promotion of community participation in healthy recreation by the provision of facilities for the playing of particular sports” and “the advancement of the physical education of young people not undergoing formal education” (*Charitable status and sport*, November 2001). Both this document, and a list of related FAQs, are available at the ‘publications’ section of the Commission's internet site.

<sup>20</sup> For more guidance see Inland Revenue leaflet *IR2004: Setting up a Charity in Scotland*, August 2001 – available at: <http://www.inlandrevenue.gov.uk/pdfs/ir2004.htm>.

- businesses should be allowed tax relief on gifts of trading stock, machinery or plant used in their business, in the same way as such gifts to charity are currently relieved.

Many CASCs will have little or no taxable income. However, the prospect of developing an income stream, which would require them to engage with the tax system, might deter some CASCs from obtaining other sources of support. The Government therefore proposes that CASCs should be exempt from tax on:

- any income from fundraising, which is in the nature of trading, where the turnover of that trade is less than £15,000;
- income from interest;
- property and rental income up to £10,000 per year; and
- capital gains on disposals ...

Eligibility [for this relief] would be based on criteria set out [above] ... and on the provision of facilities for participation in a sport featured on a list agreed by the four Sports Councils. The Inland Revenue would decide whether clubs met the criteria and, if they did, register them as CASCs. The Inland Revenue would also regulate, monitor and audit the CASCs to ensure that clubs continued to comply with the statutory requirements and that tax reliefs were properly due.

The Government has assessed the Charity Commission's announcement [in November 2001 on charitable status] ... and believes that it would appear to offer CASCs real advantages, both in respect of tax reliefs and other sources of funding. Any club obtaining charitable status would have access to the full range of charity tax reliefs, including donor incentives of Gift Aid, Payroll Giving and gifts of shares, wider exemptions on its own income and mandatory business rate relief in England and Wales. Perhaps more importantly, greater funding opportunities would be available, including grants from other charities, such as community foundations and public bodies that fund charitable activities. Charitable status also has the advantage of being instantly recognised and understood by the public. Clubs are free to apply for charitable status immediately and to enjoy the benefits of that status as soon as they are registered.

The Charity Commission have issued some interim guidance on the detail of the criteria for charitable status (set out in Annex B [of this document]) and will be developing this over the coming months in the light of dealing with applications for registration from CASCs. HM Treasury, Inland Revenue and Department for Culture, Media and Sport will work closely with the Charity Commission to provide information about the sector gathered in the course of this consultation. This will also ensure that the finalised guidance will allow as many sports clubs as possible to achieve charitable status. The emerging criteria suggest that the Charity Commission will be looking for very similar requirements to those the Government has been considering for CASCs.

The Government proposals would require the Inland Revenue to develop registration procedures, guidance and possibly model rules for clubs seeking to register as CASCs. The Charity Commission already has in place a system for providing applicants with set-up packs, model documents and a wide range of advice. Both options would be likely to entail sports clubs making some modifications to their

rules or constitutions to meet the respective requirements. But making these changes should deliver benefits in both cases.

In Scotland and Northern Ireland, charities apply to the Inland Revenue for recognition. The Inland Revenue's approach to the charitability of sports clubs will take into account the guidance issued by the Charity Commission.

The Government has accepted the argument that the contribution CASCs make to their communities, together with the selfless work volunteers do to run CASCs, deserves to be recognised. The proposal to investigate the best way for the tax system to help CASCs reflected the fact that, at that time, they could not be charitable. The Charity Commission's recent announcement now offers CASCs the opportunity for charitable status, covering broadly the same group of sports clubs. Annex C sets out a comparison of the relative benefits under the CASC proposals and charitable status. In the circumstances, the Government does not believe that it would appear necessary to proceed with the CASC tax proposals.<sup>21</sup>

Responses were invited by 1 February 2002. No changes were proposed to VAT law, though it was noted that clubs might not be fully aware of their VAT liabilities and any reliefs available to them, and to this end Customs issued revised guidance for sports clubs.<sup>22</sup>

Turning to the separate question of rate relief, in December 2001 the Government published its white paper on local government finance; among its list of recommendations was that mandatory rate relief – given at present to sole small general stores, post offices, pubs and petrol stations and all small food shops in isolated rural communities<sup>23</sup> – should be extended to all small businesses.<sup>24</sup> It was anticipated that mandatory rate relief would be available at 50 per cent for properties up to £3,000 rateable value, and would then decline on a sliding scale as rateable value increased – by 0.01 per cent for each extra £1 in rateable value – reaching no relief at £8,000 rateable value.<sup>25</sup> It was proposed that this relief would extend to small non-profit making bodies – *including* sports clubs. The Department would also issue new guidance on the use of discretionary rate relief to non-profit making clubs. An extract from the white paper, explaining how the scheme would work, is reproduced below:

This new rate relief scheme will extend to small non-profit making bodies, as well as to small businesses. There is no reason why such bodies should pay higher rates than a business in a similar property. Non-profit making bodies, including voluntary sports clubs as well as philanthropic, social, fine arts and literary bodies, will for the first

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<sup>21</sup> *Promoting sport in the community*, November 2001 pp 5-8. The document is on the Treasury's site at: [www.hm-treasury.gov.uk/mediastore/otherfiles/AMATEUR\\_SPORT.pdf](http://www.hm-treasury.gov.uk/mediastore/otherfiles/AMATEUR_SPORT.pdf)

<sup>22</sup> *Promoting sport in the community*, November 2001 p 7. This new guidance - *VAT Notice 701/45: VAT & sport*, April 2002 - is on Customs' site at: <http://www.hmce.gov.uk/forms/graphics/701-45.pdf>

<sup>23</sup> This rate relief scheme provides 50 per cent mandatory relief to these stores; councils may top this up to 100 per cent, and provide 100 per cent discretionary relief to any small village business.

<sup>24</sup> Department for Transport, Local Government and the Regions press notice 535, 11 December 2001

<sup>25</sup> *Strong local leadership: quality public services* Cm 5327 December 2001 p 116. The white paper is available on the DTLR site at: [www.local-regions.dtlr.gov.uk/sll/index.htm](http://www.local-regions.dtlr.gov.uk/sll/index.htm)

time be eligible for up to 50 per cent mandatory relief ... They will remain, as now, eligible for up to 100 per cent discretionary relief as a top up to the new mandatory relief. Where such bodies become eligible for the new relief, there is no reason to expect local authorities to withdraw or reduce discretionary relief that is currently given. The new relief will reduce local authorities' costs of funding the discretionary relief, which may allow them to increase the discretionary amount given to top up the new mandatory relief ...

We will issue revised guidance to local authorities on this discretionary relief and on the mandatory relief for charities, which was last issued in 1989. This new guidance will make clearer to local authorities the grounds on which they can exercise their discretion in granting relief to non-profit making bodies. It will also clarify the qualifying criteria for the mandatory charity relief, especially in regard to charity shops. This will help to ensure greater consistency of approach by local authorities across England. We will shortly be consulting on a draft of the new guidance.

On 30 November 2001 the Charity Commission announced that Community Amateur Sports Clubs could now apply for charitable status. They will now recognise as charitable purposes: the promotion of community participation in healthy recreation by the provision of facilities for the playing of particular sports; and the advancement of the physical education of young people not undergoing formal education. The Commission's decision does not mean that all organisations describing themselves as community sports clubs are now necessarily charitable. Along with the general requirements of charitable status, a community sports club seeking charitable status on this basis will need to make its facilities available to all members of the public who wish to use them, regardless of their levels of skill. And the sport concerned must be one that is capable of improving health or fitness.

Community sports clubs which meet the new criteria for charitable status can benefit from the mandatory 80 per cent rate relief which is already available for all premises used wholly or mainly for charitable purposes. Local authorities have the discretion to top this up to 100 per cent relief. Any non-profit making sports clubs that do not meet this expanded definition of charitable purposes remain eligible for the existing 100 per cent discretionary rate relief. They could also benefit from the new mandatory relief of up to 50 per cent proposed for small businesses and non-profit making bodies, where they fall within the rateable value limits of that scheme.<sup>26</sup>

The Government's proposals on rate relief are set out in the draft *Local Government Bill* – which was published for consultation in June 2002.<sup>27</sup> The Department's new guidance was also issued at this time.<sup>28</sup>

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<sup>26</sup> Cm 5327 December 2001 pp 117-8

<sup>27</sup> specifically clause 69 of the draft Bill. Office of the Deputy Prime Minister press notice 005, 12 June 2002. Consultation on the draft Bill closed in August and the Government has recently published its response to this exercise (Office of the Deputy Prime Minister press notice ODPM 114, 5 November 2002).

<sup>28</sup> Office of the Deputy Prime Minister, *Non-Domestic Rates: guidance on rate relief for charities and other non-profit making organisations*, June 2002 at: [www.local.dtlr.gov.uk/finance/busrats/non/index.htm](http://www.local.dtlr.gov.uk/finance/busrats/non/index.htm). For more details see a second standard note: "Business rates: relief for sports clubs", SN/HA/1410 5 November 2002.



## C. The 2002 Budget

The Treasury received about 2,500 responses to the consultation document from a broad range of sports clubs and sports' representative bodies, though a large number of responses were lobby letters. In its summary of these responses, the Department concluded: "many respondents welcomed the Charity Commission decision in principle. There was however a large majority in favour of continuing with a separate tax relief package. Many respondents argued that the Inland Revenue administered tax package would be simpler and benefit a greater number of sports clubs."<sup>29</sup>

As a consequence, in the March 2002 Budget the Government announced that it *would* introduce the tax package for CASCs set out in the November 2001 consultation document, to provide an alternative route for those clubs who could not or did not wish to apply for charitable status. In addition the Commission would publish revised guidelines for applying for charitable status, reflecting the input of the sports sector. Clubs would then be free to choose to apply either to the Charity Commission for charitable status, and the tax treatment that goes with charitable status, or directly to the Inland Revenue for the tax reliefs specifically for CASCs.<sup>30</sup> The Government's efforts to publicise the revised guidelines were set out by Lord Davies in a short debate in the Lords on 30 April 2002:

**Baroness Billingham** asked Her Majesty's Government: What measures they are taking to ensure that community amateur sports clubs claim all the new benefits outlined by the Chancellor of the Exchequer in his Financial Statement and Budget Report 2002.

**Lord Davies of Oldham:** My Lords, on 17th April the Minister for Sport wrote to 153 of sport's governing bodies, representing 90 sports, outlining the benefits of charitable status. The Government believe that those governing bodies should actively encourage their member clubs to apply to become registered charities. They will be contacting more than 100,000 local sports clubs to outline the possible benefits and to give details of a regional Sport England advice line that will shortly be established to assist clubs with the application process.<sup>31</sup>

A summary of the tax package is given below:

### **Who is likely to be affected?**

Any sports clubs which meets the statutory definition as:

- open to the whole community;
- organised on an amateur basis; and

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<sup>29</sup> *Promoting sport in the community: a summary of responses to consultation*, April 2002 para 7. This document is on the Treasury site at: [www.hm-treasury.gov.uk/mediastore/otherfiles/responses\\_casc.pdf](http://www.hm-treasury.gov.uk/mediastore/otherfiles/responses_casc.pdf).

<sup>30</sup> HM Treasury Budget press notice HMT3, 17 April 2002

<sup>31</sup> HL Deb 30 April 2002 c 569. Details of the Sports England advice line are given on the organisation's site at: [http://www.sportengland.org/tax\\_breaks.htm](http://www.sportengland.org/tax_breaks.htm)

- providing facilities for, and promoting participation in, one or more eligible sports.

### **General description of the measure**

The measure will provide a range of tax reliefs for qualifying CASCs and some incentives for individuals to support their local CASC through donations. CASCs will enjoy exemption from:

- corporation tax on interest;
- corporation tax on any trading income up to £15,000;
- corporation tax on income from property up to £10,000; and
- capital gains tax on disposals of assets.

Donors to CASCs will be able to give using the following reliefs:

- Gift Aid for individuals;
- inheritance tax;
- gifts of assets to a CASC on a no gain/no loss basis for capital gains purposes for both individuals and businesses; and
- gifts of trading stock and plant and machinery by businesses.

### **Operative date**

1 April 2002 for the reliefs for CASCs themselves and 6 April 2002 for incentives for individuals to donate to them.<sup>32</sup>

Further details are given in the Regulatory Impact Assessment published following the Budget.<sup>33</sup> The new rules took effect on 25 July 2002, following the *Finance Act 2002* receiving Royal Assent.<sup>34</sup> Apparently, “as at 25 October 2002, 334 clubs had applied for registration with the Inland Revenue as community amateur sports clubs. Of those, 126 had so far been registered.”<sup>35</sup>

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<sup>32</sup> Inland Revenue Budget Notice BN06, 17 April 2002. The Commission’s revised guidelines issued on 18 April are available at: [www.charity-commission.gov.uk/registeredcharities/sport.asp](http://www.charity-commission.gov.uk/registeredcharities/sport.asp).

<sup>33</sup> This is available on the Revenue’s site at: [http://www.inlandrevenue.gov.uk/ria/amateur\\_sport.pdf](http://www.inlandrevenue.gov.uk/ria/amateur_sport.pdf).

<sup>34</sup> HM Treasury press notice 75/02, 25 July 2002. Further guidance for sports clubs is published on the Revenue’s site at: <http://www.inlandrevenue.gov.uk/casc/index.htm>

<sup>35</sup> HC Deb 29 October 2002 cc 682-3W