STATUTORY INSTRUMENTS

2016 No. 771

INCOME TAX

The Major Sporting Events (Income Tax Exemption) Regulations 2016

Made - - - -	*14th July 2016*
Coming into force - -	*19th July 2016*

The Treasury make the following Regulations in exercise of the powers conferred by section 48 of the Finance Act 2014(**1**).

Citation, commencement and interpretation

1. These Regulations may be cited as the Major Sporting Events (Income Tax Exemption) Regulations 2016 and shall come into force on 19th July 2016.

2. In these Regulations—

(a) "Championships Period" means the period—

(i) beginning with 12th July 2017; and

(ii) ending with 15th August 2017;

(b) "duly accredited competitor" means—

(i) in relation to the London Anniversary Games, a competitor who has been accredited to compete at those Games by the International Association of Athletics Federations, the International Paralympic Committee, UK Athletics Limited (Company number 03686940) or any other official event organiser;

(ii) in relation to the World Athletics Championships, a competitor who has been accredited to compete in either or both of the events making up those Championships by the International Association of Athletics Federations, the International Paralympic Committee, London 2017 Limited (Company number 08492880) or any other official event organiser;

(c) "Games Period" means the period—

(i) beginning with 20th July 2016; and

(ii) ending with 25th July 2016;

(**1**) 2014 c. 26.

(d) "income" means employment income(**2**) or profits of a trade, profession or vocation (including profits treated as arising as a result of section 13 of the Income Tax (Trading and Other Income) Act 2005(**3**);

(e) "London Anniversary Games" means the athletics event planned to be held at the Queen Elizabeth Olympic Park in London on 22nd and 23rd July 2016;

(f) "World Athletics Championships" means these events—

(i) the International Paralympic Committee Athletics World Championships event planned to be held at the Queen Elizabeth Olympic Park in London from 14th to 23rd July 2017 inclusive; and

(ii) the International Association of Athletics Federations World Championships event planned to be held at the Queen Elizabeth Olympic Park in London from 4th to 13th August 2017 inclusive.

London Anniversary Games

3. A duly accredited competitor who performs a London Anniversary Games activity is not liable to income tax in respect of any income arising from the activity if the Games non-residence condition is met.

4. The following are London Anniversary Games activities—

(a) competing at the London Anniversary Games,

(b) any activity that is performed during the Games Period the main purpose of which is to support or promote the London Anniversary Games.

5. The Games non-residence condition is that—

(a) the duly accredited competitor is non-UK resident for the tax year 2016-17, or

(b) the duly accredited competitor is UK resident for the tax year 2016-17 but the year is a split year as respects the competitor and the activity is performed during the overseas part of the year(**4**).

6. Section 966 of the Income Tax Act 2007 (deduction of sums representing income tax) does not apply to any payment or transfer which gives rise to income benefitting from the exemption in regulation 3.

World Athletics Championships

7. A duly accredited competitor who performs a World Athletics Championships activity is not liable to income tax in respect of any income arising from the activity if the Championships non-residence condition is met.

8. The following are World Athletics Championships activities—

(a) competing at either or both of the events making up the World Athletics Championships,

(**2**) The Income Tax (Earnings and Pensions) Act 2003 (c. 1). Section 7 defines "employment income" for the purposes of the Tax Acts. Schedule 1 to the Interpretation Act 1979 (c. 30) states that "The Tax Acts" means the Income Tax Acts and the Corporation Tax Acts. Schedule 1 further states that "The Income Tax Acts" means all enactments relating to income tax which include the Finance Act 2014. The term "employment income" is used in several places in the Finance Act 2014, including in section 47.

(**3**) 2005 c. 5. Section 13, as amended by the Income Tax Act 2007 (c. 3) sections 1027, 1031, Part 2 of Schedule 1 paragraphs 492 and 495, and Part 3, deals with income for visiting performers.

(**4**) The Income Tax Act 2007. Section 989, as amended by the Finance Act 2013 (c. 29) Part 3 of Schedule 45 paragraph 107, defines "non-UK resident", "UK resident", "the overseas part" and "split year". Section 989 states that the definitions it contains apply for the purposes of the Income Tax Acts. Schedule 1 to the Interpretation Act 1978 states that "The Income Tax Acts" means all enactments relating to income tax which include the Finance Act 2014. The four defined terms are used in section 47 of the Finance Act 2014.