



Sporting Infrastructure

The Community Amateur Sports Club Scheme (CASC)



Background

The CASC scheme was established in 2002 in schedule 18 of the Finance Act. The 2003 Local Government Act granted registered CASCs the opportunity to claim 80% mandatory rate relief on business rates bringing CASCs in line with charities.

The CASC scheme had 4267 registered clubs as of 31 March 2007 and estimates that through the scheme, some £18.5 million has been saved by grassroots sports since its inception. This money has gone back into sport and has enabled clubs to spend it on everything from facilities to kit.

Benefits

There are six main benefits to clubs resulting from having CASC status.

1. Mandatory 80% rate relief (funded by central government)
2. The possibility that clubs will benefit from 100% rate relief.
3. Gift aid on donations by individuals – clubs can claim back 28p of every £1 donated.
4. Exemption from corporation tax on bank and building society income.
5. Exemptions from corporation tax on profits from trading and fundraising where gross income is less than £30,000 per annum, and from income from property where gross income is less than £20,000 per annum.
6. Exemption from corporation tax on chargeable gains.

How to Qualify for CASC Status

The clubs governing documentation (constitution, memorandum & articles, club rules) must make explicit 4 things relating to how the club is run:

1. That there is a policy of open membership and the club does not discriminate in terms of sex, race, religion, ability etc.
2. That the core purpose of the club is to promote one or more sports activities.
3. That the club is non-profit making and any surplus profits get reinvested into the club.

4. That there is a dissolution clause stating that in the event that the club is wound up, any remaining assets be distributed to either the governing body of the sport(s), a charity or another CASC.

Considerations

In addition to the above 4 qualifying conditions as to how the club is run, clubs should note the following:

1. The Inland Revenue would not normally expect club members to be paid for playing (one or two paid players are likely to be acceptable so long as they provide other services to the club, e.g. coaching).
2. Applicant clubs are asked to state membership categories and fees which must be reasonable. Clubs are allowed categories of membership, but social membership must make up no more than 50% of the total.

How to Apply

A simple application form is available from HM Revenues & Customs. The clubs will also have to supply the following information:

1. Copy of club's governing document (constitution, memorandum & articles, club rules).
2. Copy of the club's latest accounts.
3. Copy of any prospectus, members handbook, rule book etc., all sent to the HM Revenue & Customs.

Successful clubs are issued with a CASC registration number by the HM Revenue & Customs.

Further Advice & Guidance

Comprehensive advice and guidance information is available from CCPR and from HM Revenue & Customs who administer the scheme.

Websites:

CCPR www.ccpr.org.uk
HM Revenues & Customs www.hmrc.gov.uk/casc