

5. Sports facilities and physical recreation

5.1 The basic VAT position

If you let facilities for playing any sport or for taking part in any physical recreation your supply is normally standard-rated. But, if the let is for over 24 hours or is for a series of sessions your supply may be exempt. Please see paragraph 5.3 and 5.4 for more details. If you are a sports club or a non-profit making body you should read Notice 701/45 Sport.

5.2 What is a sports facility?

Premises are sports facilities if they are designed or adapted for playing any sport or taking part in any physical recreation, such as swimming pools, football pitches, dance studios and skating rinks. Each court or pitch (or lane in the case of bowling alley, curling rink or swimming pool) is a separate sports facility.

5.3 Lets for over 24 hours

If you make a single let of sports and physical recreation facilities for a continuous period of **over** 24 hours to the same person your supply is exempt, unless you have opted to tax. However, the person to whom you let the facilities **must** have exclusive control of them throughout the letting period.

5.4 Lets for a series of sessions

If you let out sports and physical recreation facilities for a series of sessions your supply is exempt (unless you have opted to tax) when you meet **all** the following conditions:

Step Condition

1. the series consists of 10 or more sessions.
2. each session is for the same sport or activity.
3. each session is in the same place, although a different pitch, court or lane, or different number of pitches, courts or lanes is acceptable.
4. the interval between each session is at least 1 day but not more than 14 days. The duration of the sessions may be varied, however there is no exception for intervals greater than 14 days through the closure of the facility for any reason.
5. the series is to be paid for as a whole and there is written evidence to the fact. This must include evidence that payment is to be made in full whether or not the right to use the facility for any specific session is actually exercised. Provision for a refund given by the provider in the event of the unforeseen non-availability of their facility would not affect this condition.
6. the facilities are let out to a school, club, association or an organisation representing affiliated clubs or constituent associations, such as a local league.
7. the person to whom the facilities are let has exclusive use of them during the sessions.