

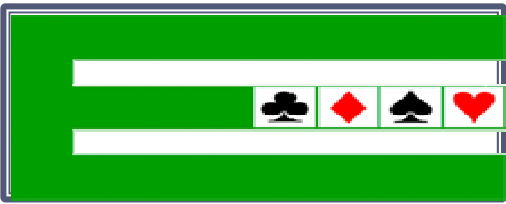


8th EBL NBO Officers' Seminar



The English Bridge Union Going to Law!

By Jeremy Dhondy



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Two strands

- VAT on competition entries
- Recognition as a sport

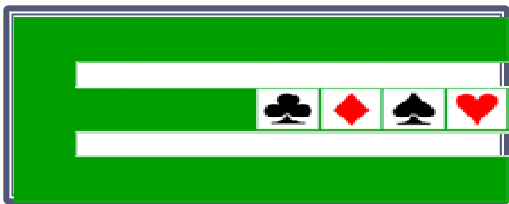


EXERCISE YOUR MIND



PLAY DUPLICATE BRIDGE

© WORDS & UNWORDS

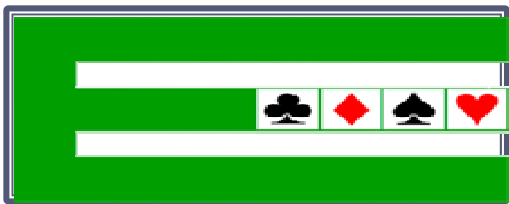


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The VAT Case: What is it and what would we gain?

- A submission to the tax authorities (HMRC) not to pay VAT on **competition entries**
- Success would remove the tax on entries and also give us several years of back tax.
- If successful we would not pay 20% VAT but we would lose some exemptions we already have so the total improvement going forward would be perhaps 12-13%



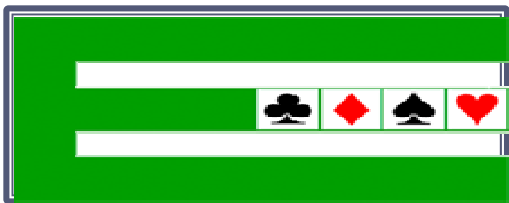
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The VAT Case: Our reasons

Is Bridge a sport?

- Article 132(1)m of the VAT directive 2006/112. Interpreted differently in different EU states.
- HMRC use a list (originally from the Council of Europe) which has some very strange entries however you might define a sport (model aeroplane flying, darts, gliding, baton twirling). A lot of the argument revolved around the extent of physical activity.
- The extent to which other members of the EU recognise bridge as a sport and the equality of treatment across the European Union.



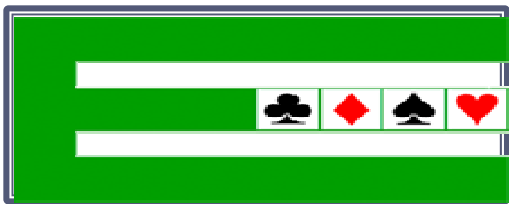
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The VAT Case: More reasons

- Promotion of public health (physical and mental)
- Social & Health benefits
- Does a sport have to have a physical component?
- Bridge is accepted by other organisations e.g. the EU Erasmus+ programme
- Other EU countries treat Bridge differently



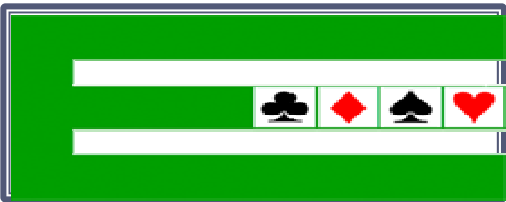


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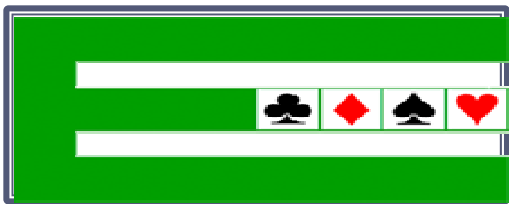
The VAT Case: Steps so far

- Cost: We have been very lucky. The EBU Honorary Counsel is a leading tax lawyer and has offered his services pro bono meaning costs thus far are minimal.
- Written Submission to HMRC: Rejected
- Hearing in front of first tier tribunal: Rejected. Appeal to Upper tribunal granted April 2014
- Appeal at Upper Tribunal: Referred to the European Court to clarify the directive
- We await a date. At present the documents are being translated into 23 different languages!



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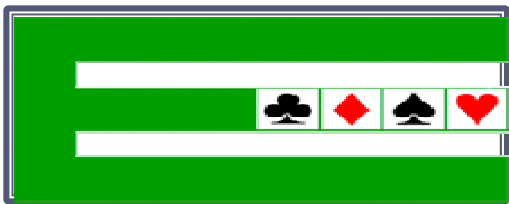


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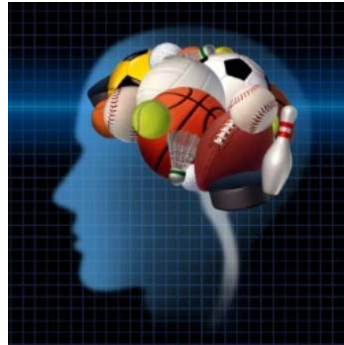
Sport England

- What is it? Their definition “An organisation committed to helping people and communities across the country create sporting habits for life.”
- They say “The sports councils do not decide what is and what is not a sport.”
- They follow “the Council of Europe’s European Sports Charter 1993 definition of sport and if the sport is well established and organised within our jurisdiction.”



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Is Bridge a sport?



Bridge is a sport recognised by

- Sportaccord (the federation worldwide for all Olympic and non-Olympic sports). There are only 5 mind sports accepted by sportaccord – Bridge, Chess, Go, Draughts, Xiangqi)
- the IOC
- the EU in its sport funding programme Erasmus+
- FISU – the International University Sports Federation

Bridge is a qualifying sport for recognition by the Charity Commission.

There are now several bridge charities. The EBU has a sister charity (EBED) and around a dozen clubs are also now charities.



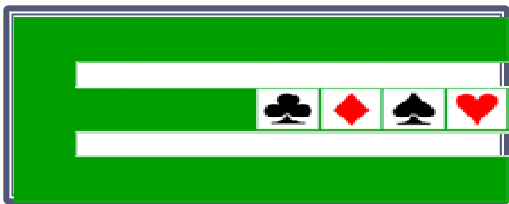
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Why seek recognition from Sport England?

- Funding: It gives access to Lottery funds
- Recognition: University Teams & FISU EUSA, place in schools/universities
- HMRC use the list of accredited sports produced by UK Sport to grant VAT and other tax exemptions
- Health Benefits of Bridge
- Social Benefits of Bridge





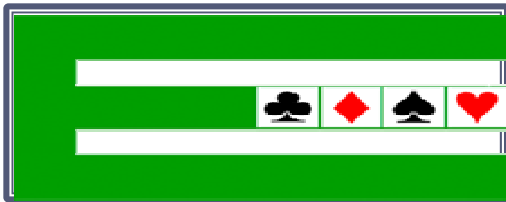
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Objections to Sport England's policy?

- Out of line with EU policy and practice
- Age discriminatory (the average age of EBU members is 60+, of physical sports significantly less)
- Unfair. In 2008 Badminton was awarded more than £8M to prepare for the 2012 Olympics. England is far more successful at Bridge internationally than the UK is at Badminton. English Bridge Union (EBU) members have to fund England's international participation.
- Was not the intent of Parliament. The most recent Parliamentary definition comes from the 2011 Charities Act and includes mind sports.
- Severely restricts the investment in bridge for young people – an activity that has proven educational value
- Severely restricts the investment in teaching adults to play bridge – an activity proven to help prevent/delay dementia

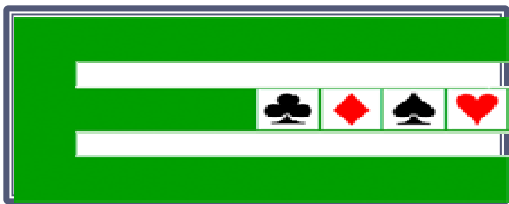
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Publicity:



- **Membership:** Making the case with our members in “English Bridge (the in house magazine), on the website, in discussion, with our clubs.
- **Media:** Press releases and interviews, TV, radio and online interviews
- **Parliament:** Involving the All Party Parliamentary Bridge Group, seeing the minister.

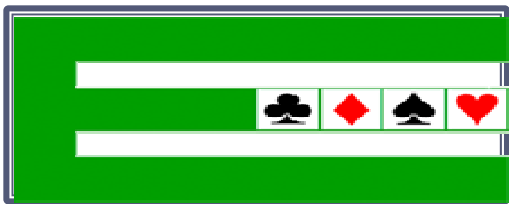


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Publicity: Correcting the false impression





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What would we do if we won?



With funding from Sport England and/or sports lottery funding and VAT relief from HMRC, the EBU would be able to invest in projects like the following:

- A nationwide programme of Minibridge in schools using accredited teachers
- The production of learning material for beginners at all levels
- An accelerated learning programme
- Grants for clubs to help them upgrade their facilities
- Reduced entry fees for competitions
- Training weekends for players at all levels
- Training programmes for bridge teachers