



Community Amateur Sports Clubs

Technical Consultation

Publication date: 9 October 2014

Closing date for comments: 5 November 2014

Subject of this consultation:	The Government announced on 4 March 2013 that it would be amending the qualifying conditions for Community Amateur Sports Clubs (CASCs) to make the rules clearer for clubs and HMRC to apply.
Scope of this consultation:	Provisions were published in the Finance Bill on 28 March to amend the qualifying conditions and allow clearer, more detailed, rules to be specified in secondary legislation following a public consultation. This technical consultation sets out proposals for those rules.
Who should read this:	These proposals will be of interest to community sports clubs in general and particularly those sports clubs, and their members that are already a registered CASC or have applied, or are considering applying, to HM Revenue & Customs (HMRC) for CASC status. This consultation will also be of interest to National Governing Sporting bodies and other similar groups.
Duration:	The consultation will run for four weeks commencing on [9 October].
Lead official:	David McDowell, HM Revenue & Customs
How to respond or enquire about this consultation:	<p>By email please send responses to: Charitypolicy.taxteam@hmrc.gsi.gov.uk</p> <p>By post please send responses to: CASC consultation, David McDowell, Room G66 Charities; 100 Parliament Street; London; SW1A 2BQ</p> <p>Telephone enquiries 03000 585284</p>
After the consultation:	A summary of responses will be published and draft regulations will be laid in the winter.
Getting to this stage:	HMRC has conducted a review of the qualifying CASC conditions. A consultation on detailed rules was held over summer 2013 and a summary of responses was published setting out the Government's detailed proposals. This is the technical consultation on the draft regulations.
Previous engagement:	The draft regulations in this consultation document have been developed following informal discussion with representative bodies on the CASC forum.

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1. Introduction

- 1.1 The rules that a sports club must meet to be registered as a Community Amateur Sports Club (CASC) are being amended. HM Revenue & Customs (HMRC) had found in a review of the scheme that some of the qualifying conditions for CASC status were not fully understood by HMRC or clubs, and were seen to be unclear by potential applicants or by some of those clubs already registered as a CASC.
- 1.2 This consultation documentation contains the draft regulations that set out the detailed rules together with an explanation of how the new rules are intended to work. In particular we wish to receive feedback from sports bodies and club officials on whether the draft regulations deliver the rules described in Chapters 2 and 3 of this document.

Background

- 1.3 The CASC scheme provides a number of charity-type tax reliefs to support local amateur sports clubs. In order to access these reliefs, clubs must meet certain conditions and must register with HMRC.
- 1.4 The government introduced new eligibility conditions for CASCs in the Finance Act 2013 including provisions to make detailed rules in regulations. A consultation on the detailed proposals for the regulations was launched in June 2013 and a summary of responses to that consultation was published in November 2013. The consultation document and the summary of responses can be found through the link below.

<https://www.gov.uk/government/consultations/community-amateur-sports-clubs-casc-scheme>

- 1.5 The summary of responses included the government's decisions on the detail of the new rules, taking into account views and suggestions received from sports clubs and members of the public as well as those obtained through close working with the various sports' national governing bodies. HMRC officials have also been consulting with various representatives of the sports sector through the CASC forum to develop the detailed rules that will apply to CASCs.

The new rules

- 1.6 The founding principle of the CASC scheme is to provide financial support to amateur member clubs set up to provide facilities and encourage participation in an eligible sport across the whole community, that would otherwise struggle to survive.
- 1.7 The responses to the consultation held over the summer of 2013 showed that clubs valued the benefits and support the CASC scheme provided but that some clubs struggled to understand some of the basic requirements of the scheme.

- 1.8 The Government remains committed to ensuring that volunteer-run, community-led grass roots sport clubs are supported and encouraged, whilst recognising that clubs may grow and expand.
- 1.9 With this in mind the draft regulations have been developed to keep the rules as clear and as straightforward as possible so that the smallest volunteer-run club will find it easier to comply with the rules.
- 1.10 This approach means that some clubs will need to change how they are structured if they wish to continue to be CASCs. However, by introducing clearer rules for clubs to follow, existing CASCs will have greater certainty in how to remain eligible and the government hopes that the proposed changes will encourage more clubs to qualify and apply for CASC status.
- 1.11 The introduction of corporate Gift Aid for companies making donations to CASCs from 1 April 2014 allows clubs with more diverse trading activities to benefit from the scheme by being able to set up trading subsidiaries. Subsidiary companies will be able to donate their profits to the CASC and claim tax relief on the donation if they meet the conditions. This will enable the amateur sports part of clubs with more complex structures to continue to benefit from the CASC scheme whilst maintaining the focus on smaller community organisations.

Scope of the consultation

- 1.12 The purpose of the consultation is to seek views on the draft regulations in order to confirm, as far as possible, that they will achieve the intended policy effect.
- 1.13 The areas where draft regulations have been developed are:
- Income condition
 - Income limits and thresholds
 - Open to the whole community
 - Costs associated with membership
 - Organised on an amateur basis
 - Paying players
 - Travel and subsistence
 - Main purpose of the club
 - Ratio of participating and social members

Supporting the Regulations

- 1.14 Volunteers and other lay people unfamiliar with the law may not find the draft regulations easy to apply in practice. As a result, the new regulations will be supported by clear, general guidance. The guidance will be aimed at the many volunteers who administer CASCs. They will need to be fully aware of the qualifying conditions and how their role will be affected by the new regulations. HMRC is planning to publish the new guidance at the same time as the new rules come into force. It is likely that various sports' national governing bodies will publish their own guidance for their members, to take into account the special circumstances of their sport. HMRC will work closely with them to develop their guidance.

Contents of this document

- 1.15 The rest of this document is set out as follows:
- Chapter 2** provides an overview the new rules.
 - Chapter 3** describes the draft regulations and asks two questions at the end.
 - Chapter 4** explains the next steps and timelines for introducing the new rules.
 - Chapter 5** provides an assessment of the impacts of the new rules.
 - Chapter 6** explains the consultation process, and how to respond to this consultation.

2. Overview of the new rules

Income condition

- 2.1 **The main purpose of a CASC is the provision of facilities for, and the promotion of participation in, its particular sport. Clubs are not meant to be mainly social or commercial therefore there will be a limit on the income from trading and property of £100,000 a year that a CASC may receive.**
- 2.2 The new rules recognise the importance clubs attach to raising additional funding to enable them to compete, expand and accommodate all who wish to participate in their particular sports. However it was never the intention of the CASC scheme that clubs would be able to engage in significant levels of trading or commercial activities as that would indicate that a club is not primarily a sports club. A club must remain an amateur sports club and clear rules have been put in place to achieve a balance.
- 2.3 The sports sector has asked that the new rules should be aligned, as far as possible, with HMRC's guidance on members' clubs published in the Business Income Manual for Corporation Tax at the link below.

<http://www.hmrc.gov.uk/manuals/bimmanual/BIM24200.htm>

- 2.4 The new rules reflect that approach as far as possible.
 - All income, except property income, from **full voting members** will not normally be taxable. While there is no limit on such income a club may receive for the `income condition`, a club must meet the main purpose test which requires a club's main purpose to be the provision of facilities for, and the promotion of participation in one or more eligible sports.
 - Juniors who do not have a vote, but are otherwise full members of the club, are considered to be full voting members and therefore income from juniors is counted in the same way.
 - All property income from members and non-members is generally taxable and receipts will count towards the threshold.
 - Any other income that is taxed as trading income will count towards the limit.

Corporation Tax exemptions

- 2.5 Previously many CASCs seemed unaware of the rules on trading income which meant that if a club received trading receipts above the £30,000 Corporation Tax exemption then all trading receipts would be taxable. **The threshold on the exemption from corporation tax on trading receipts will be increased from £30,000 to £50,000.** This means that clubs will pay no tax on trading income so long as trading receipts from persons who are not full voting members do not exceed £50,000 a year.
- 2.6 **The threshold on the exemption from corporation tax on income from property will be increased from £20,000 to £30,000.** Clubs will pay no tax on income from property so long as the receipts from members and non-voting members are no more than £30,000.
- 2.7 There is no other change in how the exemptions will operate. As now, if the receipts from trading or property exceed the respective limits then all of the income becomes chargeable to Corporation Tax, not just the income derived from any receipts above the threshold. To claim the exemptions, all income must be applied for qualifying (sporting) purposes. The draft Order for these changes is published alongside this document.

Open to the whole community

- 2.8 **The maximum costs associated with CASC membership will be set at £520 a year, equivalent to £10 a week.**
- 2.9 This amount is considered to be an affordable amount and so ensures the club is open and available to everyone in the community who wishes to participate.
- 2.10 Clubs will still be able to charge more than £10 a week, particularly where a certain sport may require more expensive and specialised equipment. However, where the cost of membership and participation is higher than £520 a year, clubs will be required to make arrangements to ensure that those who are unable to afford higher costs can fully participate in the sporting activities of the club for no more than £520 a year.
- 2.11 **Clubs will be subject to an upper membership fee limit of £1612 a year, or £31 per week.** One of the key principles of the CASC scheme is that a club must be open to the whole community. The majority of the community would not be able to afford fees above £1,612 a year.

Organised on an amateur basis

- 2.12 **Clubs will be able to pay any number of players to play for the club, up to a limit of £10,000 a year.** The original rules prevented clubs from making any payments to their players for playing for the club or to reward performance. However it is clear there are some circumstances when small payments to players would not undermine the amateur status of a club. The £10,000 annual pot includes cash payments as well as the cost of any benefits provided to the player as a result of them playing for the club.

- 2.13 In practical terms this means that a club will have the flexibility to bring in an experienced former professional player to pass on their experience to the team, such as with cricket clubs, or to pay a number of players out of the £10,000 annual pot to help improve the team overall.
- 2.14 **Clubs will be able to pay travel and subsistence expenses to players, match officials and other specified individuals in certain circumstances, including contributions towards the cost of participating in an official club tour.** Under the original rules clubs could only pay reasonable travel expenses to players and officials travelling to away matches. The new rules reflect the fact that many clubs do not just play locally and so allow clubs to make reasonable accommodation and subsistence payments, as well as travel expenses, to players and match officials when they need to stay away from home.
- 2.15 All payments will be subject to limits and must be in line with the main purpose test (that the activity is promoting the participation in an eligible sport) which will be set out in HMRC guidance.

Main purpose of the club

- 2.16 **At least 50% of CASC members must be participating in the sport.** HMRC has applied a rule of thumb set out in guidance that, to meet the main purpose test, a club must not have more than a 50% social membership. Exceeding the 50% would mean the club was a social club rather than a sports club. This rule of thumb is being legislated.
- 2.17 **A participating member must participate in the sporting activities of the club on at least 12 separate days a year, which averages once a month.**
- 2.18 A participating member will include not just players but other members who are participating in the sport by volunteering to coach, officiating at games, or acting as a grounds man.
- 2.19 Parents transporting teams to matches in a club-owned or hired minibus will also be considered to be participating in the sport. However taking children to matches in personal vehicles is not considered to be participating in the sport.

3. The draft regulations

3.1 This chapter explains what the draft regulations are intended to do. The draft Regulations for these changes is published alongside this document.

Regulations 3 and 4: New income condition

3.2 Regulation 3 inserts a new income condition that all CASCs must meet.

3.3 The income condition covers trading receipts and income from property. The receipts that counts towards the income condition threshold are:

- receipts from trading with anyone who is not a full voting member of the club
- all property income receipts.

3.4 A 'full voting member' is someone who, with other members, exercises control over the running of the club (usually by having a full vote at the club's annual general meeting) and participates in club activities. This means that income from transactions with individuals who are not full voting members (for example 'associate members') will be counted towards the income condition even if a club calls those persons 'members', alongside income from transactions with other non-members.

3.5 Regulation 4 specifies the details of the new income condition.

3.6 A club will be able to receive receipts from trading with non-voting members, other non-members and receipts from property up to a maximum of £100,000 during any 12 month accounting period.

3.7 If the club trades for less than 12 months the £100,000 limit will be reduced accordingly to reflect the reduced accounting period.

3.8 Any receipts a club receives from trading with non-members, such as income from a club shop, café or green fees, count as trading receipts.

3.9 Any other financial activity that produces a financial return to the club will also be considered to be trading activity.

3.10 Receipts from property are included in the £100,000 limit, whether or not the receipts are received from members or non-members. Property income from members counts towards the limit because it is always taxable, subject to the Corporation Tax exemption on property income.

Regulations 5 to 9: costs associated with membership and membership fees

- 3.11 Clubs will be able to charge no more than £520 (equivalent to £10 per week) in membership costs.
- 3.12 The annual cost of participating in a sport is the total of the membership fee and the costs incurred in playing the sport (“sporting activity costs”). Sporting activity costs which are incurred on a regular basis are costed by reference to playing the sport once a week for example match fees or the cost of hiring specialist equipment necessary to participate in the sport.
- 3.13 Membership fees generally include joining fees and any extra add-ons that may be necessary, for example insurance or sports body membership charges where these are charged by the club. If the club offers different membership fees dependent on anything other than the length of time the membership lasts then the highest fee available is used to calculate overall membership costs.
- 3.14 Membership fees for a group (for example a family) must be divided by the number of people in the group to arrive at the individual membership fee. Where there are different levels of membership fees, the highest fee must be used.
- 3.15 The cost of sporting activity will include all reasonable payments required to allow the player to fully participate in the sporting activities of the club. Regulation 9(2) lists the costs that count as sporting activity costs. The list is detailed but not exhaustive. Generally any charges incurred to play would be taken into consideration in calculating the final costs.
- 3.16 Clubs that operate on a seasonal basis and that wish to use a lower number of times a player must participate in the sport for the participating member rule (see regulation 18) by reference to the amount of time the club is open in the year (see regulation 21), must also reduce the membership costs by the same proportion. For example if a club is open for 6 months a year and the club decides to operate the rule that fully participating members are required to participate at least 6 times a year (instead of 12 times) then the maximum costs of £520 a year must be reduced to £260.
- 3.17 Clubs that charge a membership fee of more than £1,612 to any member cannot be registered as a CASC.
- 3.18 Clubs with membership costs above £520 a year must make special provision for members who would find these costs a significant obstacle to enable them to fully participate in the sport for no more than £520 a year (equivalent to £10 a week). HMRC guidance will provide examples of the types of arrangements clubs can make to meet this requirement.
- 3.19 HMRC guidance will also cover how to calculate the costs of temporary memberships and costs associated with different memberships and for multi sports clubs.

Regulation 10: “organised on an amateur basis”

- 3.20 Regulation 10 amends the rules on what is meant by “organised on an amateur basis”. The amendments do not change the rules but clarify:
- that the list of benefits that are deemed to be the “ordinary benefits of an amateur sports club” is an exhaustive list;
 - that travel expenses must be necessary as well as reasonable; and
 - that travel expenses may be paid to match officials, coaches, first aiders and individuals accompanying a disabled player.

Regulations 11 to 13: paid players

- 3.21 These regulations specify the rules and maximum amount for paying players.
- 3.22 The maximum total amount (including benefits) a club can pay players to play for the club, in a 12 month accounting period, cannot exceed £10,000.
- 3.23 The limit of £10,000 can be used either to pay one individual player £10,000 or £10,000 in total to more than one individual player. For example, a club may have say, two paid players in the year but the total paid (including benefits) to the two players must not exceed the £10,000 maximum amount allowed for the year.
- 3.24 Where the club’s accounting period is shorter than 12 months the maximum amount that a club can pay players must be apportioned accordingly. For example, the maximum amount would be apportioned for an eight month accounting period as follows:
- $$£10,000 \times 8/12 = £6,666.$$
- 3.25 Where a club is registered as a CASC part way through its accounting period the maximum amount of £10,000 is reduced accordingly. For example if the club is registered half way through a 12 month accounting period, the £10,000 limit would be reduced to half of the maximum amount.
- 3.26 Payments must:
- be made to an individual who plays in an eligible sport for the club
 - be negotiated on an arm’s length basis
 - not be paid to an officer of the club or anyone connected with an official or manager of the club
 - not be paid to an individual member of one registered club to play for another registered club.
- 3.27 All payments, benefits and expenses provided by the club, its members or by third parties on behalf of the club whether under an explicit or implicit, written or oral, agreement,

must be included when calculating the total amounts paid to players in any one year. This includes:

- gross sums paid before tax in respect of any salary, wages or fees paid to the player
- any benefits and expenses amounts received by the paid player, either of direct monetary value or capable of being converted into money. For example, a player's flights to the country, food and accommodation, general transportation costs and so on.

3.28 Amounts paid to a player may include payments for such things as training sessions and travel related to play, as well as actually playing in the eligible sport on the field.

3.29 Any amounts paid to a player for reimbursement of reasonable travel and subsistence should be excluded. Payments in respect of carrying out some other role for the club, such as coaching, being a match official or working at the bar do not count towards the limit.

3.30 HMRC guidance will cover the following areas:

- who may or may not be a paid player
- players playing for a multi sports club
- overseas players and the need for working visas
- definition of "officers" and "connected persons"
- payments for unrelated activities that is, coaching or acting as a match official or where a person is paid for both playing and something else.
- items which do not count towards the limit, such as prizes
- what happens if payments exceed the £10,000 limit
- record keeping, in particular to distinguish between payments for playing and for other duties like coaching.

Regulation 14: travel and subsistence

3.31 Regulation 14 specifies when clubs may make payments to members for travel and subsistence.

3.32 Subsistence payments can only be made for away fixtures:

- when the club is taking part in a match appropriate to their particular sport
- and the travelling time to the fixture is a round trip of at least 4 hours from the club premises.

3.33 Travel and subsistence payments must be necessary and reasonable. Details of the mileage and subsistence standard rates which HMRC considers to be reasonable for travel and subsistence can be found in HMRC guidance.

UK rates are at <http://www.hmrc.gov.uk/briefs/income-tax/brief2409.htm>

Non-UK rates are at <http://www.hmrc.gov.uk/employers/emp-income-scale-rates.htm>

- 3.34 Only standard class public transport will be considered necessary and reasonable unless it can be demonstrated that first class travel was the cheaper option.

Regulation 15: social and participating members

- 3.35 Regulation 15 legislates the rule of thumb HMRC has been using, to require at least 50% of the members of a CASC to be fully participating members. A club that has more than 50% of social members cannot meet the main purpose test (see sections 658(1A)(c) and 660A of the Corporation Tax Act 2010).

Regulation 16

- 3.36 Regulation 16 specifies the types of activities that would count as participating in the sport.
- 3.37 In summary, a member is participating in sporting activities of the club if they:
- actively play in an eligible sport either at adult or junior level or
 - have a specific volunteer role in organising or running the club on a regular and substantive basis, which helps to ensure the club can fully compete in its particular eligible sport.
- 3.38 Actively playing in an eligible sport includes training either as an individual or with the team.
- 3.39 Junior members should be assessed on the same basis as adults. It will not be sufficient to declare for example that all junior players' parents or families will qualify as participating members for a small fee. Each individual will need to clearly demonstrate that they actively participate in the sporting activities of the club in their own right. For example:
- attending a club game as a spectator, or occasionally driving a child and their friends to the club to play in a match, whilst using the social facilities during their visit is not active participation.
 - a first aider is actively participating if their attendance is necessary for the particular sport and the duties are undertaken for a meaningful amount of time. It would not be good enough for someone trained as a first aider to attend a match simply as a spectator.

Regulations 17 to 19

- 3.40 In order to be a fully participating member for the purposes of the 50% rule in regulation 15, an individual must participate in the sport on at least 12 days a year. As a rule of thumb this will average out as participating in the club's sport at least once a month.
- 3.41 If someone joins the club mid-way through a year the minimum number of 12 occasions is reduced by reference to the number of months in the year when the individual was a member of the club. For example, if a club's year is January to December and a player joins the club in May then they must participate at least 7 times in the remainder of that year.
- 3.42 The number of times a member must participate is also reduced in the same way if the club has an accounting period of less than one full year.
- 3.43 If the club is open for less than a year, for example because it plays a seasonal sport, then the club can choose to apply a reduced number of occasions when a member must participate in the sport. In this case any membership costs must be reduced by the same proportion, as mentioned at paragraph 3.16 above. A club is treated as being open when any of the facilities provided by the club (social or sporting) are made available to members.
- 3.44 Any member who does not meet the participation conditions is a social member.
- 3.45 HMRC guidance will cover, among other things, junior/family memberships and voting rights for different membership groups.

Questions for consultation

Question 1. Do the regulations as drafted achieve their objectives as described above?

Question 2. Do these draft regulations produce any unintended consequences?

4. Next steps

- 4.1 After the technical consultation has concluded, HMRC will make any appropriate changes to the draft regulations before they are laid in draft before Parliament for approval.
- 4.2 Some of the changes made by the regulations will take effect from 1 April 2010 for the purpose of enabling us to backdate the registration of clubs whose applications have been put on hold during the review of the legislation (see 4.8 below).

Existing clubs

- 4.3 All existing CASCs will retain their CASC status, subject to meeting the existing rules, until the law is changed. HMRC will continue to challenge a club's CASC status if a club appears not to meet the rules, for example unfairly discriminating against sections of the public.
- 4.4 When the regulations have been made, HMRC will publish detailed guidance and ask all registered clubs to check that they meet the new rules.
- 4.5 Some CASCs may need to make changes in order to retain their CASC status. For example, a club that charges high fees would need to introduce some arrangement for people on low and modest incomes to ensure they could participate fully in the club. Some clubs may need to consider restructuring to move trading activities to a subsidiary company.
- 4.6 Clubs will have up to 12 months from the date the regulations come into force in which to consider whether they need to make any changes and to put these changes into effect.
- 4.7 If, exceptionally, a club no longer meets the qualifying conditions and decides that it does not want to change the way it operates in order to remain a CASC, HMRC will deregister the club. HMRC would waive any deregistration charge that would be due provided that the club has been fully compliant with the existing guidance and that there is no other reason for deregistering the club.

Applications that have been put on hold

- 4.8 A number of applications from clubs seeking CASC registration have been put on hold while HMRC has been reviewing the CASC rules.
- 4.9 HMRC is writing to each of those clubs to draw their attention to the publication of this technical consultation.

New applications for CASC registration

- 4.10 HMRC will continue to accept applications from clubs wishing to register as a CASC whilst the regulations are being developed.
- 4.11 HMRC may register a club, subject to a future review, where the club doesn't meet the current rules but would qualify if the proposed new rules applied. For the purposes of

considering whether a club meets a condition before the law is finalised, HMRC will use the figures below.

- 4.12 Where a club's application would satisfy the following thresholds for fees or paying players, HMRC will offer to register the club subject to a later review:
- Membership and participation costs – up to £520 a year
 - Paying players – One player up to a maximum of £5,000 a year (including benefits).
 - Income - Trading receipts up to £50,000 a year.
- 4.13 If a club registered on this basis does not meet the rules specified in the final version of the regulations, then HMRC will de-register a club if it chooses not to make the changes necessary to meet the qualifying conditions. Any de-registration could be backdated to the club's date of registration or another date, depending on the exact circumstances. If HMRC de-registers the club then the club would need to account to HMRC for any reliefs received as a consequence of being a registered CASC.
- 4.14 If a club would prefer not to be registered subject to a future review it can ask HMRC to put its application on hold until the new law is finalised.
- 4.15 HMRC will put on hold applications from clubs that don't meet the current rules or the limits set out above, but would meet the new rules if higher thresholds applied. For example, if a club currently pays two players to play but otherwise meets the current and new conditions, HMRC will put the club's application on hold until the regulations have been finalised.

5. Assessment of Impacts

Summary of Impacts

Exchequer impact (£m)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
	-	negligible	negligible	negligible	negligible	negligible
	This measure is expected to have a negligible impact on the Exchequer.					
Economic impact	The measure is not expected to have any significant economic impacts.					
Impact on individuals and households	The new legislation will ensure that clubs charging fees above the £520 limit for a year's membership must offer reduced membership fees to individuals on low incomes or make other arrangements to ensure that the costs associated with membership of the club do not represent a significant obstacle to membership.					
Equalities impacts	No identified impacts on people with protected characteristics.					
Impact on business including civil society organisations	<p>This measure is expected to have a negligible impact on businesses and civil society organisations. All of the approximately 6,600 existing CASCs may have limited one-off costs in assessing their position under the new rules.</p> <p>There may be further implications for some CASCs, for example clubs offering sports, such as golf, yachting and flying who will be more likely to be affected than other types of sports.</p> <p>Some clubs may need to make changes to their structure or their operations in order to retain their CASC status and a small minority of clubs may decide to leave the scheme or cease.</p> <p>Clarification of the rules may also mean that some new clubs find them easier to operate and therefore enter the scheme.</p>					
Operational impact (£m) (HMRC or other)	HMRC will be carrying out an educational campaign for CASCs and a follow up compliance project to check compliance. Costs will be met from existing baselines.					
Other impacts	None identified.					

6. The Consultation Process

This consultation is being conducted in line with the Tax Consultation Framework. There are 5 stages to tax policy development:

- Stage 1 Setting out objectives and identifying options.
- Stage 2 Determining the best option and developing a framework for implementation including detailed policy design.
- Stage 3 Drafting legislation to effect the proposed change.
- Stage 4 Implementing and monitoring the change.
- Stage 5 Reviewing and evaluating the change.

This consultation is taking place during stage 3 of the process. The purpose of the consultation is to seek views on draft legislation in order to confirm, as far as possible, that it will achieve the intended policy effect with no unintended effects.

How to respond

A summary of the questions in this consultation is included at chapter 3.

Responses should be sent by 5th November 2014, by e-mail to Charitypolicy.taxteam@hmrc.gsi.gov.uk

or by post to: CASC consultation; David McDowell; Room G66 Charities 100 Parliament Street; London; SW1A 2BQ

Paper copies of this document or copies in Welsh and alternative formats (large print, audio and Braille) may be obtained free of charge from the above address. This document can also be accessed from [HMRC Inside Government](#). All responses will be acknowledged, but it will not be possible to give substantive replies to individual representations.

When responding please say if you are a business, individual or representative body. In the case of representative bodies please provide information on the number and nature of people you represent.

Confidentiality

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes. These are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004.

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals with, amongst other things, obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on HM Revenue and Customs (HMRC).

HMRC will process your personal data in accordance with the DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

Consultation Principles

This consultation is being run in accordance with the Government's Consultation Principles

The Consultation Principles are available on the Cabinet Office website: <http://www.cabinetoffice.gov.uk/resource-library/consultation-principles-guidance>

If you have any comments or complaints about the consultation process please contact:

Oliver Toop, Consultation Coordinator, Budget Team, HM Revenue & Customs, 100 Parliament Street, London, SW1A 2BQ.

Email: hmrc-consultation.co-ordinator@hmrc.gsi.gov.uk

Please do not send responses to the consultation to this address.