



FACT SHEET

Donations by athletes or associates

Australian Sports Foundation Ltd (ASF) donors must not receive any benefit, advantage, right or privilege (other than one of an insignificant nature) for their donation, apart from the tax deductibility. For ASF Sport Development and Team Travel projects, this principle has an additional application.

Participating athlete

The ASF will not accept donations in support of a Sport Development or Team Travel project when a donor is a participating athlete or a person reasonably expected to be a participant in that project. This is because they would receive a tax benefit and the additional benefit of a reduction in the cost they would otherwise have to contribute to participate.

Associates of a participating athlete

The ASF will not accept donations in support of a Sport Development or Team Travel project when a donor is an associate of a participating athlete or a person reasonably expected to be a participant in that project. Advice from the Australian Taxation Office has confirmed this.

The definition of an associate is very broad, but includes relatives, companies in which the donor or associates have control, partners in a partnership and spouses of those partners, beneficiaries with an interest in a trust (or beneficiaries capable of benefiting under a trust), related trusts and associates of any of the above. More specifically, Section 6 of the Income Tax Assessment Act 1936 defines a 'relative of a person' to mean:

- the parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child of that person or of his or her spouse, and
- the spouse of that person or any other person specified in paragraph (a).

The above definition of an associate is not exhaustive and is a guide only. See section 78A of the Income Tax Assessment Act 1936 for the complete definition of an associate.

Organisations registering Sport Development or Team Travel projects must agree:

- not to collect donations from relatives or associates of participants or persons reasonably expected to be participants
- to seek declarations from donors certifying that they are not related to or associated with participants or persons reasonably expected to be participants. Approved donation forms will include this wording.

Donors who are uncertain of their ability to donate should seek independent professional advice.

SUPPORTED BY



Australian Government
Australian Sports Commission

How can I find out more?

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