



PAYMENT OF PLAYER FAQs

These Frequently Asked Questions (FAQs) have been put together to assist clubs and players with compliance with RFU Regulation 7. Any defined terms will have the meaning set out in RFU [Regulation 7](#).

The FAQs are set out in two parts: Part A – Material Benefit FAQs; and Part B –Regulatory FAQs.

The RFU is unable to provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for tax, legal or accounting advice. Clubs, players and other individuals should consult their own tax, legal and accounting advisors before engaging in any transaction.

The RFU has also arranged a tax helpline for clubs to obtain initial free advice on tax related matters: Tax Helpline: 0333 0100337.

Should these FAQs not answer your question, please visit our [Community Rugby Help](#) where you may find the solution in one of our help articles or alternatively click on 'Submit a Help Request' to ask us a question direct.

PART A – MATERIAL BENEFIT FAQs

QUESTION	ANSWER	
MATERIAL BENEFIT OR NOT?	UNPAID PLAYER	PAID PLAYER
	The answer may differ depending on whether the player is paid or unpaid. A paid player is classified as someone who receives a Material Benefit in return for playing rugby union.	

PLAYER SPONSORSHIP		
A player's club membership fee is paid for by the club, club sponsor or the player's personal sponsor.	No Material Benefit. This assumes that the money from the sponsor goes to the rugby club and the player receives nothing in return, other than the waiving of membership fees.	No Material Benefit. This assumes that the money from the sponsor goes to the rugby club and the player receives nothing in return, other than the waiving of membership fees.
A player's club membership fee is initially paid for by the player, then subsequently reimbursed by the club (due to a new sponsor, or otherwise).	No Material Benefit. This assumes that the payment from the club to the player is a reimbursement of costs previously paid by the player. Any additional amount would be a material benefit, subject to the other provisions here within. <i>The reimbursement should not be contingent on team success, number of appearances or any other measures.</i>	No Material Benefit. This assumes that the payment from the club to the player is a reimbursement of costs previously paid by the player. Any additional amount would be a material benefit, subject to the other provisions here within. <i>The reimbursement should not be contingent on team success, number of appearances or any other measures.</i>
A player receives club branded playing apparel, training apparel or formalwear (e.g. a club blazer and tie) for personal use.	No Material Benefit.	No Material Benefit.
A player receives unbranded or sponsor-only branded (ie no club branding) playing apparel, training apparel or formal wear for personal use.	Material Benefit. The player would now be classified as being paid.	Material Benefit.

A player's third party gym membership is paid for by or on behalf of a club or club sponsor.	Material Benefit. The player would now be classified as being paid.	Material Benefit.
A player's third party gym membership is paid for by or on behalf of the player's personal sponsor who has no connection to the club.	No Material Benefit. This assumes the sponsor has no connection with the club and receives nothing from the club for the sponsorship. Note this may still be a taxable benefit for the player and the player should obtain independent tax advice.	No Material Benefit. This assumes the sponsor has no connection with the club and receives nothing from the club for the sponsorship. Note this may still be a taxable benefit for the player and the player should obtain independent tax advice.
A player receives a monetary or non-monetary benefit from the player's personal sponsor who has no connection to the club.	No Material Benefit. This assumes the sponsor has no connection with the club and receives nothing from the club for the sponsorship. Note this may still be a taxable benefit for the player and the player should obtain independent tax advice.	No Material Benefit. This assumes the sponsor has no connection with the club and receives nothing from the club for the sponsorship. Note this may still be a taxable benefit for the player and the player should obtain independent tax advice.

TRAVEL EXPENSES

The club reimburses the exact cost of travel to a game and/ or training, whether it be home or away (i.e. train fare, taxi fare, flight cost).	No Material Benefit. Although, please see separate rules regarding CASC registered clubs Click here .	Home game/training at the club - Material Benefit. Away game - No Material Benefit.
The club pays 45p or less per mile for travel to a game (home or away), based on HMRC rates. (45p or less for the first 10,000 miles 25p after that)	No Material Benefit. Although, please see separate rules regarding CASC registered clubs Click here .	Home game/training at the club - Material Benefit. Away game - No Material Benefit.
The club reimburses/pays for the exact cost of food/drink/refreshments on the way to or from an away game or tournament.	No Material Benefit When players are travelling to somewhere other than the 'ordinary place of business' (defined as both their home ground and usual training base), the club paying for refreshments is not a material benefit. The provision of a round sum, which players might (or crucially might not) spend on refreshments, is always defined as a material benefit (see below). However, where HMRC's benchmark scale rates for subsistence are used (link) this would not be defined as a material benefit.	No Material Benefit When players are travelling to somewhere other than the 'ordinary place of business' (defined as both their home ground and usual training base), the club paying for refreshments is not a material benefit. The provision of a round sum, which players might (or crucially might not) spend on refreshments, is always defined as a material benefit (see below). However, where HMRC's benchmark scale rates for subsistence are used (link) this would not be defined as a material benefit.
The club pays for the exact cost of accommodation at an away game or tournament.	No Material Benefit As with the above, this will not be a material benefit when travelling to somewhere other than the ordinary place of business. For round sum provisions see below.	No Material Benefit As with the above, this will not be a material benefit when travelling to somewhere other than the ordinary place of business. For round sum provisions see below.
The club provides a round sum, out of which travel to the game can be paid, whether it be home or away.	Material Benefit. Round sum travel payments are effectively remuneration. The Material Benefit here will be the whole round sum paid. For no material benefit to occur for unpaid players, the travel paid must be no more than the public transport cost or 45p or less per mile if driving. (For the first 10,000 miles 25p or less after this)	Material Benefit. Round sum travel payments are effectively remuneration. The Material Benefit here will be the whole round sum paid.

PROVISION OF MEDICAL, PHYSIO, REHABILITATION AND INSURANCE SERVICES

<p>The club takes out any insurance policy on behalf of the Club.</p>	<p>No Material Benefit.</p> <p>This will include the RFU insurance policies and any top up which is undertaken on behalf of the club and its players as a whole.</p>	<p>No Material Benefit.</p> <p>This will include the RFU insurance policies and any top up which is undertaken on behalf of the club and its players as a whole.</p>
<p>The club takes out Howden's (RFU Insurance Broker) Accidental Injury loss of income policy or other policies on the same terms on behalf of a team. This can extend to mutual funds that are specifically funded to provide the same level of cover to affected players as the equivalent Howden's policy.</p>	<p>No Material Benefit.</p>	<p>Material Benefit.</p>
<p>The club takes out any other insurance policy on behalf of a specific player/ or named group of players.</p>	<p>Material Benefit.</p> <p>Where additional policies are taken out on behalf of a specific player/ group of players (i.e. there is an additional cost for each individual included), this will be a material benefit for each of those players.</p>	<p>Material Benefit.</p> <p>Where additional policies are taken out on behalf of a specific player/ group of players (i.e. there is an additional cost for each individual included), this will be a material benefit for each of those players.</p>
<p>A club engages a doctor, physio or other medical practitioner to provide services within the club environment.</p>	<p>No Material Benefit.</p>	<p>No Material Benefit.</p>
<p>The club outsources the provision of a doctor, physio or other medical practitioner to a local provider.</p>	<p>Services available to the whole Club - No Material Benefit</p> <p>This mass provision of services is seen as a logistical alternative to the club employing an on-site physio/doctor.</p> <p>A player/group of players - Material Benefit.</p> <p>Where services are provided on behalf of a specific player/group of players, this will be a material benefit for each of those players.</p>	<p>No Material Benefit, if the services are required as a result of playing for the club or the performance of club duties.</p> <p>If the services are required as a result of an incident or illness unrelated to their performance of club duties, whether a Material Benefit has occurred is subject to who has access to those medical services; i.e. whether the services are provided to the club as a whole as an alternative to a club doctor/physio. Please see opposite.</p>
<p>The club pays for external/private medical, dental, rehabilitation or physio services on behalf of a specific player/group of players.</p>	<p>No Material Benefit if the services are directly required as a result of an incident or injury from playing for the club or the performance of club duties</p> <p>For any other provision, the player would now be classified as being paid</p>	<p>No Material Benefit, if the services are required as a result of an incident or injury from playing for the club or the performance of club duties</p> <p>Material Benefit, if the services are required as a result of an incident or illness unrelated to their performance of club duties</p>

ACCOMMODATION

<p>The club provides a player with accommodation at the club (but with no access to a kitchen).</p>	<p>No Material Benefit.</p>	<p>No Material Benefit.</p>
<p>The club provides separate accommodation (i.e. a flat or room in a flat) on the club premises.</p>	<p>No Material Benefit.</p>	<p>Material Benefit.</p> <p>The value of the Material Benefit will be the third party market value of the accommodation.</p>

The club provides separate accommodation (i.e. a flat or room in a flat) that is owned by the club but distinct from the club playing grounds	Material Benefit The player would now be classified as being paid	Material Benefit The material benefit will be the third party market value of the accommodation.
The club arranges for accommodation to be provided by any third party (whether connected to the club or otherwise) and the third party receives no monetary or non-monetary benefit in return.	No Material Benefit.	Material Benefit. The value of the Material Benefit will be the third party market value of the accommodation. This will include staying in other players' accommodation where arranged by the Club.
The club or any third party (whether connected to the club or otherwise) pays for accommodation for the player.	Material Benefit. The player would now be classified as being paid.	Material Benefit.

PROVISION OF CARS

The club, club sponsor or a third party connected with the club provides a car to the player.	Material Benefit. This benefit will match the tax treatment of company cars. As such, the benefit can be quantified by using HMRC's Company Car and Car Fuel Benefit Calculator, http://ccfcalculator.hmrc.gov.uk/CCFo.aspx .	Material Benefit. This benefit will match the tax treatment of company cars. As such, the benefit can be quantified by using HMRC's Company Car and Car Fuel Benefit Calculator, http://ccfcalculator.hmrc.gov.uk/CCFo.aspx .
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GYM MEMBERSHIP

The club provides a player with gym membership at a gym that the club owns.	No Material Benefit.	No Material Benefit.
The club arranges for gym membership to be provided by a third party, (whether connected to the club or otherwise) and the third party receives no monetary or non-monetary benefit in return.	No Material Benefit.	Material Benefit. The Material Benefit will be the third party market value of the gym membership.
The club pays for a player's membership at a third party gym.	Material Benefit. The player would now be classified as being paid.	Material Benefit.

BONUSES – MONETARY

The club pays players a bonus, whether related to the outcome of a game or season, or for any other reason (including any man of the match monetary bonus).	Material Benefit. The player would now be classified as being paid.	Material Benefit.
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BONUSES – NON-MONETARY

The club provides refreshments before, during and/or after the match or training.	No Material Benefit.	No Material Benefit.
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<p>The club provides a player with anything of monetary value (i.e. vouchers, bar tab, pre-paid card) to exchange at the club bar.</p>	<p>No Material Benefit.</p> <p>This must be an amount incidental to the social benefits associated with being part of a rugby club and to be used by that player, rather than remuneration in-kind.</p> <p>Where the facility is used to provide food and drink on a regular basis outside of training and matches then a material benefit can arise and the player would now be classified as being paid.</p> <p>Where a player receives cash payments, whatever the intended use, this will be a Material Benefit.</p>	<p>No Material Benefit.</p> <p>This must be an amount incidental to the social benefits associated with being part of a rugby club and to be used by that player, rather than remuneration in-kind.</p> <p>Where the facility is used to provide food and drink on a regular basis outside of training and matches then a material benefit can arise and the player would now be classified as being paid.</p> <p>Where a player receives cash payments, whatever the intended use, this will be a Material Benefit.</p>
<p>The club provides and pays for refreshments at a third party establishment.</p>	<p>Material Benefit.</p> <p>The player would now be classified as being paid.</p> <p><i>The key point is whether the club is providing its own drinks to players in relation to training and matches, or otherwise paying for players' drinks and food</i></p>	<p>Material Benefit.</p> <p><i>The key point is whether the club is providing its own drinks to players in relation to training and matches, or otherwise paying for players' drinks and food</i></p>
FLIGHTS		
<p>The club pays for any airfare for a player.</p>	<p>Material Benefit.</p> <p>The player would now be classified as being paid.</p> <p>Whilst this will be a Material Benefit for RFU purposes, there may be some tax exemptions with regard to certain airfares but the player and club would need to obtain their own independent tax advice.</p>	<p>Material Benefit.</p> <p>Whilst this will be a Material Benefit for RFU purposes, there may be some tax exemptions with regard to certain airfares but the player and club would need to obtain their own independent tax advice.</p>
<p>The club pays for any airfares for anyone related to or connected to the player.</p>	<p>Material Benefit.</p> <p>The player would now be classified as being paid.</p>	<p>Material Benefit.</p>
CHILDCARE PROVISION		
<p>The club provides a child minding service at the club on match day.</p>	<p>No Material Benefit.</p>	<p>No Material Benefit.</p>
GENERAL		
<p>A player receives an education bursary.</p>	<p>If the money is exclusively in respect of education, this does not constitute a Material Benefit provided no portion of the bursary is in respect of playing rugby. The player would need to be in full-time education and total payments cannot exceed £15,480 in a year.</p>	
<p>A club offers an exchange scheme to players from overseas</p>	<p>Whether the player receives, any Material Benefit will depend on what he is receiving from or on behalf of the club. Please see above response regarding accommodation, travel expenses, flights etc.</p>	
<p>Fundraising for going on tour.</p>	<p>This would not constitute a Material Benefit provided: (i) the fundraising is for the entire team to cover the reasonable and out of pocket cost of the tour, and no money is passed onto the players; and (ii) no player is receiving any Material Benefit to participate in the tour.</p>	

Note that once a player is provided with any material benefits they are considered as being paid for all the categories.

In determining whether an entity is “connected” to the Club, this will include Club officials, other paid players and

employees, corporate sponsors (and their owners/employees), landlords, suppliers and other entities with whom the Club has a financial relationship.

PART B – REGULATORY FAQs

QUESTION	ANSWER
Are the Payment Thresholds a salary cap?	No, the Payment Thresholds are not a salary cap. Clubs can pay in excess of the Payment Thresholds but if they do, they will not be entitled to the RFU Benefits.
Will it be a breach of regulations if the club does not submit a Declaration or pays over the Payment Thresholds?	No, if a club does not submit a Declaration the club will no longer be eligible for the RFU Benefits in respect of the entirety of the following season. Non-submission of a Declaration or clubs accurately declaring to be paying over the Payment Threshold will not constitute of breach of regulations and shall only result in loss of RFU Benefits.
Which clubs need to complete the Declaration and in respect of which teams within the club?	<p>The Declaration is to be completed by all clubs whose first XV team plays at: National League Level 1 (formerly Level 3) to Counties level 2 (formerly Level 7) (inclusive); or (b) Counties Level 3 (formerly Level 8) and below who provide Material Benefits to players; and in each case who wish to be entitled to RFU Benefits.</p> <p>The Declaration must cover all payments to players, regardless of which team the player plays for within the club (i.e. whether they play in first, second, third team etc).</p> <p>The Declaration does not need to be completed in respect of any female players or by any female club/team.</p>
If a club has coaches who play some (or many) games for the first XV team, what amount needs to be declared within Declaration?	The contracts need to clearly stipulate how much of the payment is for coaching duties and how much is for playing. The amount they are paid for playing is the amount that needs to be declared within the Declaration.
How should payments under Pay-to-Play contracts be declared?	<p>Clubs must declare any Material Benefits 'paid or payable' to any third party in respect of playing rugby union. This includes all payments made to players under Pay-to-Play contracts. If a player under such a contract does not play and therefore is not paid, this does not need to be declared.</p> <p>Clubs with a number of Pay-to-Play contracts are advised to submit the declaration once all matches in the season have been played and all Pay-to Play payments have been made.</p>
Must a club include in the Declaration any payments made to another club in respect of loan players?	Yes, all Gross Payments need to be declared which means all Material Benefits paid or payable to any third party in respect of playing rugby union (including any payments in respect of England Academy Players and Loan Players) plus all payments payable in respect of such Material Benefit which includes, by way of example, national insurance contributions, income tax and agents fees.
Must a club include in the declaration any payments made to another club in respect of England Academy Players?	Yes, all Gross Payments need to be declared which means all Material Benefits paid or payable to any third party in respect of playing rugby union (including any payments in respect of England Academy Players and Loan Players) plus all payments payable in respect of such Material Benefit which includes, by way of example, national insurance contributions, income tax and agents fees.