



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: 0330 303 1877 (Mon-Fri 9-5pm).

Should the FAQs not answer your question, please contact PaymentofPlayers@rfu.com.

PART A – MATERIAL BENEFIT FAQs

QUESTION	ANSWER 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.	
MATERIAL BENEFIT OR NOT?	UNPAID PLAYER	PAID PLAYER

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.	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.
A player receives club/ sponsor 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 playing apparel, training apparel or formalwear 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.	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).	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).
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. Round sum provisions are always defined as a material benefit (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. Round sum provisions are always defined as a material benefit (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.	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		
The club takes out any insurance policy on behalf of the Club	No Material Benefit. 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.	No Material Benefit. 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.
The club takes out Howden's (RFU Insurance Broker) Accidental Injury loss of income policy on behalf of a team.	No Material Benefit.	Material Benefit.
The club takes out any other insurance policy on behalf of a player/ group of players.	Material Benefit. 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.	Material Benefit. 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.
A club engages a doctor, physio or other medical practitioner to provide services within the club environment.	No Material Benefit.	No Material Benefit.
The club outsources the provision of a doctor, physio or other medical practitioner to a local provider.	Services available to the whole Club - No Material Benefit This mass provision of services is seen as a logistical alternative to the club employing an on-site physio/doctor. A player/group of players - Material Benefit. Where services are provided on behalf of a specific player/group of players, this will be a material benefit for each of those players.	No Material Benefit, if the services are required as a result of playing for the club or the performance of club duties. 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.
The club pays for external/private medical, dental, rehabilitation or physio services on behalf of a specific player/group of players.	Material Benefit. The player would now be classified as being paid.	No Material Benefit, if the services are required as a result of playing for or the performance of club duties. Material Benefit, if the services are required as a result of an incident or illness unrelated to their performance of club duties.
ACCOMMODATION		
The club provides a player with accommodation at the club (but with no access to their own kitchen).	No Material Benefit.	No Material Benefit.
The club provides separate accommodation (i.e. a flat or room in a flat) that is either at the club or at a premises owned by the club.	No Material Benefit.	Material Benefit. The value of 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.

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, available at 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, available at http://ccfcalculator.hmrc.gov.uk/CCFo.aspx .
GYM MEMBERSHIP		
The club provides a player with gym membership at a gym which 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.
BONUSES – NON-MONETARY		
The club provides refreshments before, during and/or after the match or training.	No Material Benefit.	No Material Benefit.
The club provides a player with anything of monetary value (i.e. vouchers, bar tab, pre-paid card) to exchange at the club bar.	No Material Benefit. 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. Where a player receives cash payments, whatever the intended use, this will be a Material Benefit.	No Material Benefit. 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. Where a player receives cash payments, whatever the intended use, this will be a Material Benefit.
The club provides and pays for refreshments at a third party establishment.	Material Benefit. The player would now be classified as being paid. The key point is whether the club is providing its own drinks to players, or paying for players' drinks elsewhere.	Material Benefit. The key point is whether the club is providing its own drinks to players, or paying for players' drinks elsewhere.

FLIGHTS		
The club pays for any airfare for a player.	<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>
The club pays for any airfares for anyone related to or connected to the player.	<p>Material Benefit.</p> <p>The player would now be classified as being paid.</p>	Material Benefit.
CHILDCARE PROVISION		
The club provides a child minding service at the club on match day.	No Material Benefit.	No Material Benefit.
GENERAL		
A player receives an education bursary.	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.	
A club offers an exchange scheme to players from overseas	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.	
Fundraising for going on tour.	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.	

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 a breach of regulations and shall only result in loss of RFU Benefits.
Who should be the fourth individual who signs the Declaration on behalf of the club?	The fourth individual required to sign the Declaration should be the individual who has the main responsibility for player recruitment and/or the first XV team.
Which clubs need to complete the Declaration and in respect of which teams within the club?	<p>The Declaration is to be completed by clubs with a first XV team in the male leagues but 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.

<p>How should payments under Pay-to-Play contracts be declared?</p>	<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>
<p>Must a club include in the Declaration any payments made to another club in respect of loan players?</p>	<p>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.</p>
<p>Must a club include in the declaration any payments made to another club in respect of England Academy Players?</p>	<p>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.</p>