

# **FINANCE ACT 2010**

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## **EXPLANATORY NOTES**

### **INTRODUCTION**

#### ***Section 63 Schedule 20: Champions League Final***

##### **Details of the Schedule**

2. Paragraph 1(1) describes the individuals to be exempt as employees and contractors of the visiting team who are not resident and not ordinarily resident in the UK
3. Paragraph 1(2) describes the income to be exempt as being related to the duties or services performed in connection with the Champions League Final. This is subject to the following paragraphs and the definitions contained within them as per paragraphs 3 and 4.
4. Paragraph 2 provides that income that is to be exempt must relate to contracts that are in place before the final takes place.
5. Paragraph 3 provides that the exemption does not apply to arrangements set up for tax avoidance purposes. For example by creating contracts, duties or payments that would not otherwise exist but for the exemption.
6. Paragraph 4 provides that withholding obligations under section 966 of the Income Tax Act 2007 (ITA) that otherwise apply to payments or transfers to foreign sportspeople that relate to performing in the UK are removed from payers of exempted payments or transfers.
7. Paragraph 5 provides that the exemption covers employment income and self-employment income. This includes payments and transfers deemed to be profits of a trade, profession or vocation of a foreign sportsperson, even where those payments or transfers are made to a person other than the sportsperson.
8. Paragraph (6) provides the necessary definitions of “the 2011 Champions League Final”, a “contractor”, an “employee and employment” and an “overseas team”.