

SGD 93/11 - Are a professional sportsperson's appearance fees, prize monies or player awards either 'ordinary time earnings' or 'salary or wages'?

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⚠ This document has changed over time. This is a consolidated version of the ruling which was published on *22 July 1993*



Superannuation Guarantee Determinations do not have the force of law. Each decision made by the Australian Taxation Office is made on the merits of each individual case having regard to any relevant Determinations and Rulings.

Superannuation Guarantee Determination

Are a professional sportsperson's appearance fees, prize monies or player awards either 'ordinary time earnings' or 'salary or wages'?

1. Appearance fees are paid for participation in a sporting event or in a promotional display. Therefore, they are salary or wages within paragraph 11(1)(e) of the *Superannuation Guarantee (Administration) Act 1992* as payments to a person to participate in a sport or display. They are also ordinary time earnings (within subsection 6(1)) because the time spent participating in the sport or display constitutes the sportsperson's ordinary hours of work under the appearance contract.
2. Prize money is paid for successfully performing or participating in a sport. Therefore, it is also both salary or wages and ordinary time earnings for a professional sportsperson.
3. Remunerative awards of the 'player of the match' or 'sports person of the year' type are awarded on a subjective judgment of quality and cannot be classed as a payment to perform. Therefore, they are neither ordinary time earnings nor salary or wages.

Commissioner of Taxation

22/7/93

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Related Determinations:

Related Rulings: SGR 93/3; SGR 93/4

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