


# ***ST 2455 - SALES TAX : AUSTRALIAN LITTLE ATHLETICS UNION; STATE LITTLE ATHLETICS ASSOCIATIONS AND LITTLE ATHLETICS CLUBS***

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TAXATION RULING NO. ST 2455

SALES TAX : AUSTRALIAN LITTLE ATHLETICS UNION; STATE  
LITTLE ATHLETICS ASSOCIATIONS AND LITTLE  
ATHLETICS CLUBS

F.O.I. EMBARGO: May be released

REF N.O. REF: 89/4240-4 DATE OF EFFECT: Immediate

B.O. REF: DATE ORIG. MEMO ISSUED:

F.O.I. INDEX DETAIL

REFERENCE NO:	SUBJECT REFS:	LEGISLAT. REFS:
I 1011583	AUSTRALIAN LITTLE ATHLETICS UNION STATE LITTLE ATHLETICS ASSOCIATIONS LITTLE ATHLETICS CLUBS	SALES TAX (EXEMPTIONS AND CLASSIFICATIONS) ACT; ITEM 63B(2), FIRST SCHEDULE

PREAMBLE The question was recently raised with this Office whether the Australian Little Athletics Union, State Little Athletics Associations and the associated network of Little Athletics Clubs or Centres are entitled to exemption from sales tax under sub-item 63B(2) in the First Schedule to the Sales Tax (Exemptions and Classifications) Act for taxable goods that they purchase.

2. Sub-item 63B(2), First Schedule, exempts goods for use, and not for sale, by a society, institution or organisation established and carried on exclusively or principally for the promotion of competitive sport among the students of universities or schools conducted by organisations not carried on for the profit of an individual. To be eligible for exemption, therefore, the Union, the Associations and the Clubs or Centres must each be established and carried on principally for the promotion of competitive sport among the students of non-profit schools.

FACTS 3. The main and primary object of the Little Athletics movement is to promote athletics as recreational and social activities for the children who are registered as members and their families. The promotion and encouragement of Little Athletics in each State is under the control of the relevant State Little Athletics Association which is an affiliated member of the Australian Little Athletics Union. Local Clubs or Centres are affiliated members of the State Association.

4. The Rules of the State Associations provide that any group of people or organisation shall be permitted to form a Little Athletics Club provided that :

- (a) a minimum number of athletes, usually 20 or 30, are registered with the Club;
- (b) at least two or three adults who are members of the Association are responsible for the organisation and conduct of the Club;

- (c) the Club adopts an approved name and uniform which is worn by members in competition.

5. Membership of the Association is open to children regardless of ability, race, nationality, religious belief and whether or not they are students. Each boy or girl wishing to register with the Association completes a registration form and, on payment of the registration fee, receives a registration number which is fixed to the front of his/her Club uniform and worn in all competitions. Although the requirement varies in some States, generally children between the ages of 6 years and 14 years are eligible for registration with the Association. In some States the rules of the State Association provide that where brothers or sisters are already registered, 5 year olds may be eligible for registration and children up to 15 years or 16 years may be eligible for registration.

6. Competitions are organised by the Association and conducted according to the respective ages of the participants. Events include sprints, hurdles, long jump, triple jump, high jump, discus and shot-put. Participants wear distinctive club uniforms. Competition is held at club level, district level and State level and athletes compete as representatives of their respective Club, district or State. They do not wear sports uniforms of particular schools. The children of the relevant age group compete as private individuals, not as students representing their schools.

RULING

7. The Australian Little Athletics Union, State Associations and associated Clubs and Centres are not entitled to exemption under the provisions of sub-item 63B(2), First Schedule, on goods they purchase.

8. In its context in the First Schedule to the Sales Tax (Exemptions and Classifications) Act the exemption provided by sub-item 63B(2) is confined to societies, institutions or organisations which promote competitive sport among the students of non-profit universities or schools as students of such universities or schools. They must, of course, be established and carried on exclusively or principally for that purpose. Government schools are accepted as being relevantly conducted by an organisation not carried on for the profit of an individual in terms of the sub-item.

9. Little Athletics Associations and their affiliated Clubs and Centres admittedly assist with the promotion of Little Athletics and athletics among children in general. It is also accepted that the vast majority of the members of such associations, Clubs and Centres are students. However, these factors are not in themselves determinative.

10. It is coincidental that children who are registered as members of Little Athletics Associations, their Clubs and Centres are normally of school age and happen to be students. Whether a child is or is not a student of a non-profit school, is not material for that child to be a member of these organisations. Nor are they material criteria for that child to compete in athletic competitions promoted by these organisations. It follows that the competitive athletics promoted by these organisations among their members are not materially promoted

among students or students of non-profit schools.

11. This Office does not accept that the Australian Little Athletics Union, the State Associations, their Clubs and Centres are established and carried on to promote competitive sport among the students of non-profit schools.

COMMISSIONER OF TAXATION

14 December 1989