



Bridge and VAT

My name is Jeremy Dhondy and I am the Chairman of the English Bridge Union.

This column is to answer questions or comments about the EBU that you might have.

If you have a comment or a question I would be happy to hear from you. jeremy@mrbridge.co.uk

Q I've seen some recent news about the EBU and their application to be exempt from VAT and also to be regarded as a sport. What is the latest position?

A There has been some progress recently, but first a summary of where we have got to. The EBU have pursued two legal courses. The first is for our competitions to be exempt from VAT and the second is for us to be regarded as a sport by the Government, and in particular, Sport England.

The VAT case has gone through several HMRC tribunals and eventually ended up in the European Court in Luxembourg. There was a hearing in March and the result of that, when known, will be binding on both sides. It won't be affected by Brexit, whenever that happens (or doesn't!). What has happened recently is that a report prepared for the European Court of Justice has concluded that bridge should be considered a sport for VAT purposes. The Advocate General, who prepared the report, recognised the skill element of duplicate bridge. More importantly, perhaps, he recognised that bridge demonstrated the essential characteristics which make something a sport. He dismissed the idea that there must be a strong physical element. His report was published in the middle of June.



It can be found at the ECJ website at <https://curia.europa.eu>

The EBU would be unwise to count its chickens quite yet, because the report is not binding on the judges. They are expected to make their final decision around October. The effect could be transforming, if they do agree with the Advocate General, because not only would the EBU benefit going forward by the removal of VAT on its competition entry fees, but it could also claim some past VAT back, which could be used for the development of the game. It is possible that clubs will also benefit if they are both registered for VAT and set up for the public benefit: ie membership clubs rather than proprietor owned clubs. All of this is a bit uncertain at present, but a couple of members, with expertise in this area, have offered to assist affiliated clubs if matters develop favourably. It's worth remembering that if all of this does happen, then the EBU will not save as much as 20% on its entry fees, but a smaller percentage as we will lose some exemptions we currently have. Still, it would be nice to be in this position. If we do lose the fight, then I guess we won't be all that popular amongst the European Bridge community, as other EU Bridge Associations will likely find their current exemption under threat.

Our second case has been about recognition. This has been pursued with Sport England through various English courts. We have not been successful and legal action is at an end, at least for the time being, not least because the expense is too high. In our VAT case we have had the good fortune to be represented by a leading tax barrister,



ter, David Ewart, who has helped us and freely given a large amount of time and expertise, for which we are very grateful. There are lots of mixed messages. The government,

in part, does recognise bridge as a sport. For example, the Charities Commission recognises bridge and that is, in part, what helped the EBU to set up the charity English Bridge Education & Development (EBED) in 2014. The International Olympic Committee recognised bridge as long ago as 1995. Bridge was on the long list of activities for the 2020 Olympic Games in Tokyo, but did not make it to the final cut. It was a demonstration sport in the Winter Olympics of 2002 in Salt Lake City and will feature in the Asian Games of 2018.

Other countries' individual Olympic Committees also recognise bridge. Poland is one example and bridge gets significant government funding and status as a consequence of this recognition. Sport England on its own website says, 'We're here to increase the number of people doing sport and activity – no matter what their background, ability or age.' They may argue bridge is not a sport but an activity? Personally, I'd be happy to sign a piece of paper saying we didn't want their money if that is their problem.

The EU via their Erasmus+ pro-

gramme (Sports funding) also recognise bridge as does Sportaccord.

Whether bridge is a game, a sport, an activity, a mind sport or something else causes argument in the pub, at the dinner table and elsewhere. Some will argue that something can't be a sport unless it involves significant physical activity, and moving as East-West in a duplicate doesn't count.

In an early hearing, a government lawyer waxed lyrical about the necessary physical activity and fitness needed to be regarded as a sports person and the activity as a sport. Our lawyer asked if they were thinking of darts. There

are many inconsistencies in activities recognised as sports in the UK, eg model aeroplane flying, arm wrestling, baton twirling and frisbee. Whether they should or shouldn't count is not really the point. The point is, rather, as to whether these activities can benefit society. Can 'mind' sports, for example, delay the onset of dementia and keep minds active for longer? Can activities such as bridge assist with promoting social inclusion? I suspect this is going to be a long fight, but the government should want to assist activities that have health benefits and promote social inclusion, even more so as our society ages.

For now, the argument seems to focus on which obscure past law can be quoted to substantiate or knock down the case. The government of the 1930s passed some legislation to put the physical element into the definition of sport. It did this because it was

concerned about the fitness of the nation with a possible war looming. One suspects that this is not the top priority in this century. If we get past the name 'sport' and look at the leisure activities in our society, whether physical or mental, and say that if we promote them, will that lead to a better society for many of us, the answer would be a resounding yes.

Recognition is not all about money. An increased status for bridge would, for example, make it more likely to feature in our schools. That would help the future of the game, especially as we live in an age where playing of cards at home is much less common than it was and the rise of the internet is all encompassing.

EBED are currently looking at the body of research that might indicate whether playing bridge and other games testing mental agility have health benefits. Dr Doug Brown for the Alzheimer's Society said in 2016, 'People who regularly challenge their brains through education, work and leisure activities tend to have lower rates of dementia in later life.'

There is plenty of research out there and now the job is to develop it and pull it together to make an ever stronger case for bridge, so the argument in the pub is not about whether bridge has any physical aspect or whether it should be a sport, but rather that the reason to classify it as such is the benefit it gives to society.

The next few months could well be an important time for the future of our game or activity or mind sport or sport. ■

Catching Up

with

Sally Brock

I was quite pleased with how the women's events went in Montecatini. I wasn't playing with the strongest team or the strongest partner – but my partner, Debbie, played really well. We nearly qualified for the knock-out stage of the teams, eventually finishing 10th out of 30 (with eight to qualify). In the pairs we did even better, finally ending up fifth. I had a lovely time. Montecatini was full of nice places to eat, often outside, and we went out with different friends every night. Many people complained about the playing conditions, but I didn't think they were too bad. Of course, it was Italy in June and therefore quite hot, but not too bad as long as you weren't far from an air-conditioning unit.

When I got home, I had a few biggish bridge matches. First, a Gold Cup match against an Oxfordshire team which we won comfortably – that means we are now in the quarter-finals. Then we had a Crockfords match at the Young Chelsea. Again we won fairly easily and are now in the final. The following evening we had a Young Chelsea match and won, despite a truly dreadful first half when Barry and I were rescued from oblivion by Frances and Graham in the other room having a storming time.

My father has been ill. He was taken to hospital with

chest pains in the middle of the night. They established that he had not had a heart attack and that his heart was OK. However, they have no real idea of what is wrong with him. He has lost his appetite and therefore lost a lot of weight. He has generally lost all his *joie de vivre*, and is in danger of general deterioration. I went to see him a couple of times and he wasn't great. However, he is now home and feeling a bit happier. He has carers coming in four times a day, and we are hopeful that he might recover sufficiently to enjoy a few good years yet. I'm sure he is depressed after the loss of my mother, and it must be hard for him to pick himself up again. I just hope he can find the mental energy to do so.

On the domestic front, I am delighted with the flat. It's such a nice place to live.

As far as the kids are concerned, Toby has nearly finished his masters degree at Imperial – exams all over, just his project to finish.

Briony has decided she wants to go and live in New Zealand for a while. I can't decide on whether I'm pleased or not – obviously I'll be glad if it makes her happy but the thought of being so far apart is terrifying. Given how much we are both away in the summer, we will only both be in the country for a day or so between now and when she goes. ■

