



THE ENGLISH BRIDGE UNION
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PRESS RELEASE

For immediate release

English Bridge Union disappointed by EU court VAT ruling

The European Court of Justice has today overturned a recommendation from its Advocate General, and has ruled that bridge should not be considered a sport for VAT purposes.

This decision comes as both a surprise, and a disappointment, to the English Bridge Union (EBU), which had welcomed the recommendation made by Advocate General. The European Court did, however, leave open the opportunity for individual states to exempt bridge from VAT by recognising it as a 'cultural service'. The EBU is pleased by the court's suggestion, and welcomes the possibility that bridge activities may yet be exempted from VAT, however it is yet to consider the implications of the suggestion.

In June the Advocate General had advised that the VAT exemption for sports was intended for activities which offered "training of mental or physical fitness in a way that is generally beneficial to the health and well-being of citizens" and that bridge fit this category.

The court, however, ruled that the definition of sport should be based on the use of the word in "everyday language", and explained that they would expect this to include a greater physical exertion than is present in bridge. That bridge incorporated many of the attributes of more recognised 'sports', such as organised competition, training, and exertion, was not deemed sufficient.

A positive ruling by the court would have both made participation in bridge competitions cheaper, and would have provided a rebate to the EBU which it could invest in bringing bridge – and the enjoyment and health benefits which participation offers – to a wider audience.

That HMRC will not be required by the EU to remove this requirement will adversely affect how widely bridge is played in the UK. A large percentage of bridge players are from groups with limited disposable income – the retired, and those in full-time education. Making the game cheaper for them to play would increase their levels of participation and help to encourage their peers to learn to play.

Bridge is widely recognised as offering significant health and wellbeing benefits to the participant¹. Research has highlighted the improved mental acuity in players of all ages, with most benefit being seen in the young and the old – the groups most adversely affected by the imposition of VAT on the cost of their participation. The importance of bridge in maintaining social interaction amongst elderly players is also identified by many providers.

The EBU is very disappointed that the VAT burden which makes it harder to get more people playing this fantastic pastime will not be removed.

This ruling from the European Court clarifies a position which was unclear throughout the European Union. The interpretation by national governments varied, although the majority of member nations of the EU exempted bridge activities from VAT under this directive. The EBU, with the co-operation of HMRC, brought the matter before the British Court. The British Courts referred the case to the EU Courts to seek clarification regarding the intention of their directive, and likewise the EU were happy to seek to establish the basis for the implementation of the directive in all EU member states, not just the UK. The case was heard in Luxembourg on 2nd March. This decision will therefore not only impact bridge in the UK, but could result in VAT being introduced on entry fees in many European countries.

This lack of clarity was also present within the UK Government. The UK Parliament's most recent definition of 'sport' – the Charities Act, updated by Parliament in 2011 – specifically included Mind Sports², stating that sports are "activities which promote health or wellbeing through physical or mental skill or exertion". HMRC and Sport England were among the organisations excluding Mind Sports from the definition of sport, with Sport England opting to use an older, less inclusive definition. Earlier this year the EBU lost its court battle to have Sport England reconsider their definition.

Prominent Members of Parliament have previously expressed a desire for greater support for Mind Sports across all Government departments. Michael Fallon, Secretary of State for Defence, and former Liberal Democrat leader, Tim Farron, have both addressed the subject, with Mr Farron calling for the Government to "adopt a common sense approach" on the matter³.

The size of the possible rebate to the EBU, and the financial benefit to bridge players, was unknown, however the EBU were hopeful that the rebate may have ultimately been a six-figure sum.

The EBU invests in the development of bridge both directly and through the charity, English Bridge Education and Development (EBED), to which the EBU makes an annual donation. Amongst its projects, EBED supports a national network of County Youth Officers which work to make bridge available in schools, and is also undertaking research with Stirling University and Imperial College to identify the social and neurological benefits of playing bridge.

1 - Bridge is seen as an excellent way of improving mental acuity and delaying the onset of dementia, and the social and partnership aspects of bridge are of great benefit to those who may otherwise become isolated – see:

[Participation in cognitively-stimulating activities is associated with brain structure and cognitive function in preclinical Alzheimer's disease, Schultz et al, 2014;](#)

[The effects of mind games on Alzheimer's and dementia. Albert Einstein College of Medicine, Bronx, USA, Verghese, J. 2003;](#)

[McDonnell, D., Punch, S. and Small, C. \(2017\) Individual Wellbeing and Bridge: An Empirical Analysis;](#)

For information on the education implications of bridge, see the [EBU website](#).

2 – there are five internationally recognised Mind Sports: bridge, chess, go, draughts and xiangqi (sometimes called 'Chinese chess'). <http://www.sportaccord.com/>

3 – Mr Farron made a public statement regarding the imposition of VAT on chess, and also wrote to the EBU Chairman, Jeremy Dhondy, to support the EBU's efforts in working to relieve the tax burden on bridge. See <http://www.ebu.co.uk/node/2568> for more details.

What is Bridge?

Bridge is a card-based mind sport, played in pairs against other pairs (the pairs are sometimes combined into teams of four or eight); The partners sit opposite each other at a table. There is an auction (often called bidding) and then the play, after which the hand is scored. The more tricks a partnership correctly predicts they will make the better their score - but if they do not make as many as they predict their opponents score points instead. In competitions the same hands are played at each table so you can compare your scores with the other partnerships and work out who did best with what they were dealt, thus almost eliminating the 'luck' aspect that exists in card games such as poker.

Playing bridge is one of the most enduring and popular pastimes in the world and for over 100 years it has fascinated people of all types and from all walks of life. It is one of the most popular leisure activities in Britain, and it is estimated that around 300,000 people play on a regular basis. Famous players include Bill Gates, Martina Navratilova and members of the bands Blur and Radiohead.

About the English Bridge Union

The English Bridge Union (EBU) was formed on 23rd May 1936 and is a non-profit making membership-funded organisation committed to promoting the game of duplicate bridge. It is also a National Bridge Organisation, affiliated to the European Bridge League and the World Bridge Federation.

The national headquarters of the EBU are in Aylesbury where around 20 professional people support and advise the committees, serve the membership, and help implement policy.

There are around 55,000 members of the EBU, playing in around 630 affiliated bridge clubs in England.

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