

# IRELAND ACTIVE'S PRE-BUDGET 2021 SUBMISSION CALLS FOR TAX RELIEF, VAT RATE REDUCTION AND GRANTS TO ENSURE SURVIVAL OF LEISURE, HEALTH & FITNESS SECTOR

*Ireland Active is proposing a number of incentives to include an Employee Exercise Scheme*

[Read Full submission here](#)

SEPTEMBER 29th, 2020: Ireland Active is today calling on Government for tax relief measures, grants and a VAT rate reduction for the leisure, health and fitness sector as part of the key asks in their pre-Budget 2021 submission. As the national representative body for the sector, Ireland Active is asking for these measures to be introduced to ensure the survival of gyms, leisure centres and swimming pools around the country.

Ireland Active believes it is critical for these measures to be implemented for the future viability of the industry, which – prior to the Covid-19 pandemic – catered for one million Irish people being active every week. They are calling on Government to use the proposed tax incentives to ensure this viability, one of which includes the Employee Exercise Scheme, which is modelled on the hugely successful Cycle to Work and Travel TaxSaver schemes. Ireland Active states that an Employee Exercise Scheme could help achieve long-term health benefits for employees nationwide, as well as promoting a healthy work/life balance through the increased participation in regular exercise. This scheme would therefore not only be a substantial boost to the nation's overall health and mental well-being, but it would also have the additional benefit of providing some much-needed security and cash flow certainty for the estimated 700 public and private commercial leisure, health & fitness facilities potentially eligible under the scheme.

The 10-point pre-Budget 2021 submission also features a proposal to expand the existing 'Stay and Spend Scheme' – due to come into effect on October 1st – to include exercise activities in commercial sports facilities. The scheme would include spend of up to €625, with a tax credit of up to €125. Other measures Ireland Active is calling on Government for include a commercial rent relief scheme, the reduction of the sports facilities VAT rate to 5% for 2021, and a €5m swimming pool resilience fund for 2021, to take account of the ongoing challenges and associated costs for pools remaining open during the pandemic.

*Speaking at the announcement of Ireland Active's pre-Budget 2021 submission, Conn McCluskey, CEO of Ireland Active said: "Tax measures can be an effective way to stimulate growth in participation in sport and physical activity and one only has to look at the Cycle to Work Scheme for evidence of this. We believe a similar scheme, aimed at leisure and gym membership and exercise programmes, would help to stimulate spending for the sector and sustain businesses. We are calling on Government to support a sector that gets over 1 million people active each week in Ireland. The average income loss for the sector this year is 65%,*

*with most facilities having no income during the period from March to August. Our budget proposals will help deliver on the actions contained in the National Sports Policy, while also helping people recover both mentally and physically from the effects of Covid-19 - which is particularly needed as we move into the autumn and winter period and most physical activity moves indoors."*

*CEO of Swan Leisure and Ireland Active Board member, Clodagh Kilmurray stated: "Government support is vital. If we don't have it, we won't be able to survive and that's across the industry. A lot of my colleagues in the industry say they won't be able to survive past three to six months unless we receive further support."*

[Read Full Submission here](#)



## Budget 2021

- Employee Exercise Scheme

- Exercise & Save Scheme

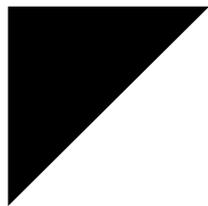
Ireland Active  
Leisure, Health and Fitness Association

## Ireland Active Submission

- Reduce the sports facilities VAT rate to 5% for 2021
- Covid-19 swimming pools subsidy grants for 2021
- Sports capital scheme, to include energy works grants
- Commercial rent relief scheme
- Tiers of the EWS5 to reflect varying reductions in turnover
- Insurance Reform for the sector
- Extend Emergency Reliefs to the end of 2021
- New restart grants for commercial sport facilities



[Read Full Submission](#)



## **IRELAND ACTIVE ARE SEEKING THE GOVERNMENT'S URGENT SUPPORT OF THE LEISURE, HEALTH, AND FITNESS SECTOR IN RESPONSE TO COVID-19 (CORONAVIRUS).**

**24th March 2020**

Ireland Active, as the representative body for the leisure, health and fitness sector, are seeking the Government's urgent support for the sector that has been severely impacted by the Covid-19 pandemic. Ireland Active's members employ some 10,000 staff across 350 public and privately-owned leisure centres, gyms, swimming pools, fitness education providers and recreation facilities nationwide, most of whom are now closed. Each week 550,000 adults exercise in gyms and a further 300,000 swim in pools across the country, however this physical activity has now come to a halt.

Significant job losses along with the fact many businesses need to maintain considerable operating costs despite the shutdowns means that Covid-19 not only has had an immediate impact on the industry but also jeopardises long-term business viability in a sector that generates an estimated €500 million for the Irish economy each year.

Ireland Active is asking for Government Support for the industry through payment breaks for VAT payments, Local Authority Rates, Mortgage/Loan/Rent Payments, PRSI Payments and Water Charges as well as business support measures including utility/energy costs, employment supports, reduction of VAT to 0% and business grants. Ireland Active have suggested that the above measures be put in place for an initial period of two months and be reassessed thereafter as the situation regarding Covid-19 continues to develop.

Ireland Active are also keenly aware of the potential impact in terms of physical and mental health of the absence of normal exercise and fitness routines. Every week almost a million people avail of gyms and swimming pools to engage in physical activity. With personal exercise and swimming being Ireland's most popular sporting activities, it is important that people still engage in the necessary physical activity to maintain health and wellbeing whilst complying with social distancing guidelines.

Taking part in exercise programmes online is one way that can be helpful. Ireland Active would recommend that everyone engaging such activity ensures that the fitness instructor is recognised by the Registered Exercise Professional (REPs). A list of all Registered Exercise Professionals can be found at <https://www.repsireland.ie/member-directory>

Conn McCluskey, Chief Executive of Ireland Active, said:

“Like so many industry sectors, the leisure, health and fitness industry has been particularly hard hit by the current Covid-19 pandemic. The initial priority was to support our members through this difficult and quickly evolving time. Our focus is now turning to safeguard the longer-term viability of our members business's that play a crucial role in providing a place of leisure and physical activity for individuals, schools, exercise groups and clubs. Physical activity in turn is integral to improving and maintaining long-term health and well-being. It is for this reason that we are asking Government for support to minimise the immediate economic shockwave caused by the Covid-19 on this important business and community sector.”

[Read letter here](#)