

Part 1: How to Check if a Coach is an Employee

You must ask these five questions in order:

1. **Is there a Work/Wage Bargain?** Does the club pay the coach a fee, wage, or token amount in exchange for running sessions? (Reimbursements for exact expenses, like petrol receipts, do not count as wages). [9, 10]
2. **Is it Personal Service?** Must the coach show up themselves? If they cannot make a session, can they send *any* qualified person they want and pay that person themselves? If they must ask the club's permission or if the club pays the replacement, it is personal service. [11]
3. **Does the Club Have Control?** Does the club set the training times, dictate the training grounds, provide the gear, or require the coach to wear club branding? Higher control points toward employment. [10]
4. **Does the Reality Fit Employment?** Does the coach stand to make a profit or a loss based on their own business choices, or do they just get paid a flat rate per hour/session? Flat rates point toward employment. [4]
5. **What is the Legislative Intent?** Does the specific tax law or employment act change the arrangement? [4, 12]

If a coach is paid to run specific sessions, cannot easily swap themselves out, and uses club equipment, Revenue will view them as an employee. This is true even if they only work casual, seasonal, or part-time hours.

Part 2: How Revenue Treats Part-Time Referees

There is a common myth that part-time referees are "independent" because they only do one-off matches. However, the Karshan case specifically stated that doing a single, casual, or one-off "gig" can still make you an employee for the duration of that shift.

According to guidelines and recent legal reviews:

- **The "One Match" Rule:** When a referee accepts a match assignment from a governing body or local league, a short-term contract is formed. During that match, they are usually viewed as an employee.
- **Rules and Sanctions:** Referees must follow official codes of conduct and undergo assessments. If a league can discipline a referee (such as withholding future match allocations), this shows employer **control**, pointing to employee status.
- **The Payment Loophole (The Corporate Veil):** Revenue has confirmed that if a referee or coach incorporates themselves (operates through their own registered **Limited Company**), the club can pay the company directly without PAYE. However, for most part-time, grassroots referees, this is not realistic.

Summary of Differences

Feature	Genuinely Self-Employed Contractor	Employee (Under Karshan)
Substitution	Can send anyone qualified to cover their shift without asking permission.	Must show up themselves; club manages covers.
Equipment	Brings their own cones, balls, bibs, and insurance.	Uses club kit, pitches, and club insurance.
Financial Risk	Can lose money on the job or make extra profit via efficiency.	Paid a fixed rate per hour, session, or match.
Tax Obligation	Handles their own invoicing and income tax filing.	Club must deduct PAYE and PRSI through payroll.

Sports Club Compliance: The Karshan Ruling & Paying Coaches Overview

The **Karshan Supreme Court ruling** (*Revenue Commissioners v. Karshan (Midlands) Ltd*) completely changed how worker status is checked in Ireland. While the original case involved pizza drivers, the Revenue Commissioners and the Workplace Relations Commission (WRC) now apply this law to every amateur and grassroots sports club in the country.

If your club pays a coach or referee a flat rate, cash payment, or token fee, they are legally viewed as an employee. Clubs that do not have a PAYE system in place must change how they handle payments immediately to avoid heavy back-dated tax penalties.

The Five-Step Employment Test

To determine a worker's status, Revenue looks at the actual factual reality of the job not just the written label in a contract. They ask five questions in order:

1. **Wage for Work:** Does the contract involve exchanging money for work?
2. **Personal Service:** Must the coach show up themselves? (If they cannot send a random replacement without your permission, it is personal service).
3. **Control:** Does the club control the training times, grounds, and kit?
4. **Reality:** Is the arrangement consistent with employment? (e.g., They get paid a flat rate per session and bear no business profit/loss risk).
5. **Law:** Is there any specific legislative regime that changes this outcome?

Important Note for Combined Roles: If a coach runs regular weekly sessions *and* helps with one-off weekend blitzes or summer camps, they are an employee for **all** their work. You cannot split their role to pay them as a contractor for one-off events.

Three Legal Paths for Sports Clubs With No PAYE System

Option 1: Move to Genuine Volunteer Expenses (Recommended for Grassroots)

You must stop paying the coach flat fees or "round sums" (like €50 cash per week). Instead, they become a pure volunteer. You can then pay them **tax-free expense reimbursements**, but only for real out-of-pocket costs backed up by a travel log and receipts.

Option 2: Outsource Payroll

If you must pay the coach a wage, the club **must register as an employer** with Revenue. You do not need complex software. You can hire a local accountant or payroll bureau to run the PAYE system for you. It usually costs only €10 to €20 per payslip for small clubs.

Option 3: Hire "Limited Company" Coaches Only

The club can choose to only hire coaches who operate through their own registered **Limited Company (Ltd)**. The coach sends the club a commercial business invoice, and the club pays it via standard bank transfer. The coach's company handles all of their own taxes. *(Note: This is rarely realistic for casual, local coaches due to high corporate setup costs).*

Official 2026 Irish Civil Service Travel Rates (In Euros)

If your club chooses **Option 1 (Volunteer Expenses)**, you must use the official [Civil Service Motor Travel Rates](#) to reimburse drivers tax-free. Payments cannot exceed these amounts.

Standard Car Rates (Euros per Kilometre)

Rates are calculated based on the total distance driven by the volunteer in a calendar year:

Distance Band (Per Year)	Up to 1,200cc	1,201cc – 1,500cc (and Electric)	1,501cc and Over
Band 1: 0 – 1,500 km	€0.418	€0.434	€0.518
Band 2: 1,501 – 5,500 km	€0.726	€0.792	€0.906
Band 3: 5,501 – 25,000 km	€0.318	€0.318	€0.392
Band 4: Over 25,000 km	€0.206	€0.239	€0.259

Subsistence Rates (Food Allowances)

If volunteers travel for matches or tournaments away from home, you can reimburse them for food costs tax-free using these flat daily Euro rates:

- **Away from home for 5 to 10 hours:** €19.25 per day
- **Away from home for over 10 hours:** €46.17 per day

(Note: The match or training venue must be at least 8 kilometres away from the volunteer's home to claim this food allowance).

[INSERT CLUB NAME] - VOLUNTEER EXPENSE CLAIM FORM

Instructions: Please complete all sections below to claim tax-free reimbursements for real club expenses. All claims must follow official Civil Service guidelines. **Attach all receipts to this form.**

1. Volunteer Details

- **Full Name:** _____
- **Role in Club (e.g., Coach, Referee):** _____
- **Vehicle Engine Size (cc) / Electric:** _____
- **Current Cumulative KM Driven for Club This Year:** _____ km

2. Travel & Subsistence Log

Date	Destination & Purpose of Trip	Total KM Driven	Per-KM Rate (€)	Total Travel Claim (€)	Subsistence Claim (€19.25 / €46.17)
//			€	€	€
//			€	€	€
//			€	€	€
//			€	€	€

3. Out-of-Pocket Purchases (Receipts Must Be Attached)

Date	Description of Item (e.g., first aid supplies, match balls)	Total Amount (€)
//		€
//		€

4. Total Claim Summary

- **Total Travel & Subsistence:** € _____
- **Total Out-of-Pocket Purchases:** € _____
- **TOTAL PAYMENT DUE:** € _____

5. Declaration & Signatures

I declare that the expenses listed above were actually and necessarily incurred by me solely on behalf of the club, and that the mileage amounts are accurate.

- **Volunteer Signature:** _____ **Date:** // ____
- **Club Treasurer Signature:** _____ **Date:** // ____