

## **Coaching Fees Policy**

### **Summary**

The Vikings Triathlon Club (Vikings) allows for qualified club coaches to receive payment for their coaching services as an honorarium to cover travel and time expenses. The Policy outlines Vikings approach to honorariums for coaching and provides clear guidance for the Committee, Coaches and Members.

### **Principle**

Vikings provides the option for qualified club coaches to receive an honorarium to cover travel and time expenses for coaching club training sessions. The honorarium amount is \$25 per session. This is not taxable and no invoice need be supplied. This is appropriate since under the ATO guidelines this payment is not taxable if

- The payment is to meet incurred or anticipated expenses;
- The payment has no connection to the recipient's regular income-producing activities;
- The payment is NOT relied upon for day-to-day living expenses;
- The payment is not legally required or covered under an award;
- The payment is a token amount compared to the services provided (i.e. in the case of a 1 hour swimming session, the additional setting up and packing up time is 30 minutes, travel time is reasonably 40 minutes, and preparation of a well-thought out set is 30 minutes. Thus \$25 is below the minimum wage and can be considered a token amount for an activity that requires considerable experience and ability).
- Payment does not cover holiday, sick leave etc.; and
- The activities are considered a hobby or pastime.

It should be noted that if one of our coaches considers themselves a 'professional coach', earning a significant portion of their income from coaching duties, then the onus is on them to declare the coaching money as income and provide appropriate invoices if this is appropriate for the session. For example, a coach based at Lakeside Leisure Centre pool who coaches juniors, then Vikings then Masters in the one night would be expected to provide an invoice.

The underlying message from the ATO is that small cash payments, made by non-profit organisations, for voluntary (that is non-compulsory) activities are tax-exempt because usually the tax deductions and administrative hassle outweigh the income. There is no definitive ruling as to what constitutes a voluntary honorarium with the published guidelines indicating that Vikings payments are indeed tax exempt.

Given that most of current coach payments are voluntary honoraria there is no requirement for the coaching duties to be advertised or tendered. Indeed there is usually a shortage of coaching staff. The club should, and always has been, open to coaching offers by qualified people and these will be considered on a case by case basis.

Please note that, while the Vikings Committee believes the above to be an accurate assessment of the legislation surrounding our coaching payments, it is no substitution for you seeking your own financial advice if you require clarification on your own individual circumstances in relation to these payments.

[Link to advice on volunteer payments on ATO Website](#)

### Coaching non-members

It is not uncommon that a club training session may include non-members. It is the coach's responsibility to be aware of the insurance implications of coaching athletes who are not current members of Triathlon Australia. A club coach may choose to seek fees from non-members above and beyond the agreed honorarium for coaching Vikings athletes. This is at the discretion of the coach. However, as a courtesy, the Vikings committee should be informed of any separate arrangements for non-members.

### **Process**

In order to receive payment/honorarium for coaching club training sessions, a coach must satisfy the following:

- Have a current, recognised level 1 or equivalent coaching qualification relevant to the coaching discipline they are coaching;
- Advised the Vikings committee of the coaching sessions they will be coaching; and
- Requested to receive payment for their coaching services.

If the above conditions are met, the coach will be paid for each session coached to the amount of \$25, paid in cash as a bank transfer. Payments will be made on a weekly basis.

### **Reference**

This policy should be read in conjunction with the following club policies:

- Coaching Policy
- Insurance Guidance Statement