Content

Title：	Sports Industry Development Regulation Ch
Date：	2011.07.06
Legislative：	1. All 33 articles were formulated and announced in accordance with Presidential 1st Yi Order No. 10000138461 on 6th July 2011; date of coming into force is determined by the Executive Yuan. In accordance with Executive Yuan Taijiao Order No. 1010009563 announced on 29th February 2012, the Regulation came into force commencing 1st March 2012.
Content：	**Article 1** The purpose of this Regulation is to promote the development of sports industry, foster an excellent business environment for sports industry, actively enhance competitiveness to be in line with the international arena, and establish a superior leisure sports environment for the general public. The development of the sports industry will be in accord with the stipulations laid out in this Regulation. Other regulations that serve the purpose of advancing sports industry development will be prioritized. **Article 2** The competent authority referred to in this Regulation is the central competent authority for sports. **Article 3** Sports enterprises stated in this Regulation refer to legal persons, partnerships, solo ventures or individuals related to the sports industry. Sports associations stated in this Regulation refer to legally registered non-profit organizations with the mission of advancing sports. **Article 4** Sports industry stated in this Regulation refers to products or services that facilitate the general public participating in sports or in the capacity as spectators, or supportive services that advance sports promotion, and enhance the physical and mental well-being of the citizens, improve physical fitness and quality of lifestyle: 1. Manufacturer of sports products or equipment. 2. Wholesalers and retailers of sports products or equipment. 3. Stadium operators. 4. Rental of sports products or equipment. 5. Construction of sports facilities. 6. Sports performances. 7. Professional sports. 8. Educational services for leisure sports. 9. Health care for sports. 10. Sports administrative services. 11. Sports media. 12. Sports information publishing. 13. Sports wagering. 14. Sports tourism. 15. Other industries approved by the competent authority. The contents and scope of the aforementioned industries are determined by the competent authority in conjunction with the various central industry competent authorities. **Article 5** Large-scale sports facilities stated in this Regulation refers to sports facilities that fulfill certain conditions that qualify them to be used in international competitions; its scope is determined by the competent authority in conjunction with the various central industry competent authorities. **Article 6** The competent authority should formulate sports industry development course and industry development plan, which is to be reviewed every four years and reported to the Executive Yuan for approval. The competent authority should, in conjunction with the various central industry competent

authorities, establish sports industry statistics and publish an annual sports industry report.

Article 7
To promote the development of sports industry, the government can donate to establish a Research Institute for Sports Industry Development; its establishment guidelines will be determined separately.

Article 8
To encourage the development of sports industry, the competent authority can adopt suitable counseling or incentive measures with respect to the following affairs: 1. Incorporation and related tax registration 2. Creation or R&D of products or services. 3. Promotion and publicity of products or services. 4. Construction and operation of stadiums and sports facilities. 5. Development of professional talents and recruitment of international talents. 6. Development of sports associations. 7. Advancement of industry-academia cooperation. 8. Hosting of sporting events. 9. Import popular sports services, products and innovative business models. 10. Establish a robust agent system. 11. Improve operation and management capabilities. 12. Utilize information technology. 13. Promote investment and invitation for tender. 14. Encourage cross-industrial cooperation. 15. Market expansion. 16. International cooperation and exchange. 17. Participate in domestic and international competitions. 18. Industry agglomeration. 19. Collecting industry and market information. 20. Intellectual property rights protection and usage. 21. Assist the consolidation of excellent traditional sports and sporting activities of specific ethnic groups. 22. Expenditure in the participation or observation of sporting events or activities. 23. Other affairs certified by the competent authority as relating to the innovation in sports industry or promoting robust development. Measures governing the counseling or incentive targets, qualification, review criteria, application procedure, reward measures and other pertinent affairs of the aforementioned conditions are determined by the competent authority.

Article 9
Outstanding athletes who are employed by sports enterprises or business organizations that promote sports development or provide sports related services are entitled to a maximum of 30% subsidy in wages from the competent authority; the subsidy can be allocated through the form of a project; each athlete is entitled to a maximum of five years of subsidy. The target, scope, determination criteria, subsidy procedure, amount, method, restriction, repeal, termination, forced repayment and other stipulated affairs of outstanding athletes employed by the aforementioned sports enterprises or business organizations are determined by the competent authority.

Article 10
To nurture talents in sports enterprises, the government should fully develop and utilize human resources of sports enterprises, integrate various teaching and research resources, and encourage the sports industry to conduct industry-government-academia collaboration in R&D and talent development. The government can assist local governments, universities and sports industry in nurturing professional sports talents, and encourage their establishment of relevant facilities, commence related courses, or set in motion competitions, observations, creative works and performances.

Article 11
Respective central industry competent authorities can assist or counsel civic organizations in the formulation of qualification and professional standards for sports industry talents, based on the development needs of the sports industry; these standards will serve as reference for the talent development, recruitment and proficiency assessment of talents. Measures governing the targets, certification criteria, evaluation standards, application procedure, approval agency and other pertinent affairs of the aforementioned item are determined by the various central industry competent authorities.

Article 12
To encourage regular exercise habits in the citizens and to invigorate the sports industry, the competent authority can budget funds to subsidize students in participating or watching competitive sports or performances, and provide sports experience coupons. The implementation measures governing the aforementioned subsidies and intended targets are determined by the competent authority.

Article 13
The competent authority should collaborate with pertinent government agencies, financial institutions and credit guarantee institutions to establish an economic channel for raising funds and credit guarantee mechanism for the development of sports industry, so as to ensure funds are available in the development of sports enterprises.

Article 14
The competent authority can subsidize those who introduce relevant key technologies, develop international or domestic brands, and assist in the innovation and development of sports enterprises, as well as providing assistance in international market expansion and promotional marketing. Measures governing the targets, qualifications, evaluation criteria, application procedures and other pertinent affairs of the aforementioned item are determined by the competent authority in consultation with the Ministry of Economic Affairs.

Article 15
The government should assist in the establishment of sports industry agglomeration, and formulate pertinent incentive measures that prioritize the establishment of non-profit civic sports association and professional architectural associations, which in turn participate in the design, planning, operation and utilization of the locale, and further the development of sports enterprises through agglomeration effect. Measures governing the planning, land development, rental, commissioned operation and management of the aforementioned sports industry agglomeration are determined by the competent authority in conjunction with various central industry competent authorities.

Article 16
The competent authority should provide professional counseling resources to assist in the hosting, planning and operation of key sporting events. Measures governing the selection and assistance provided for the aforementioned sporting event are determined by the competent authority.

Article 17
The competent authority can reward those who have significant contribution to the attraction of sponsors for sporting events, activities or the managing local stadiums. Measures governing the aforementioned rewards are determined by the competent authority.

Article 18
Practitioners of the sports industry in terms of excellent management or outstanding services are to be commended by the competent authority; its measures are determined by the competent authority.

Article 19
Competent authorities for public transportation venues or related facilities should reserve a certain portion of its advertisement space to facilitate the provision of sports products or services at a discounted rate; the corresponding ratio and rate are determined by the competent authority.

Article 20
Practitioners of the sports industry who possess unique professional knowledge, attainments or achievements and are qualified to teach can, in accordance with item 4 of article 17 of the University Act and item 2 of

article 12 of the Junior College Law, serve in teaching positions of relevant courses, and are not subjected to restrictions of academic qualifications; pertinent measures are determined by the competent authority.

Article 21
To assist the development of the sports industry and adapt to changing business environment so as to encourage international specialized or technical personnel to work in Taiwan, all foreign sports industry related practitioners visiting Taiwan for short-term business activities, technical instruction or professional performance can, without employment by domestic employers, be exempted from work permit application during their 14-day-visa stay. Foreign personnel employed by the sports industry to conduct specialized or professional works within the jurisdiction of the Republic of China (Taiwan) should follow standard protocol, in terms of application of work permits by employers and employee conditions and necessary documents, which are similar to the approval procedures of investment or registration of business entities by overseas Chinese or foreign nationals.

Article 22
To promote the development of the sports industry, the government can rent, authorize or through other means provide public assets such as its managed books, historic data, reference materials or audio/visual information; however, no intellectual property rights can be violated. The agency responsible for the management of public assets in the aforementioned item should provide public asset records through an appropriate measure. Profits obtained by management agency in accordance with stipulations of item 1 can keep part of it as management maintenance, technical research and talent development fees, and is not restricted by article 7 of the National Property Act and regulations pertaining to the rental of local government properties. When the public assets are used for non-profit purposes, the management agency should provide discounted rates. Measures or autonomous regulations governing the rental, authorization, keeping of profits and other pertinent matters of public assets are determined by the central industry competent authority and direct municipalities or competent authorities of counties (cities).

Article 23
The national non-public use land used during the sporting events, activities or performances of sports enterprises can be directly rented out through real estate management agency, after approval from central industry competent authority through the referral of the competent authority. It is not restricted by article 42 of the National Property Act and regulations pertaining to the rental of local government properties.

Article 24
Ticket revenues from sporting events or activities organized by sports associations that satisfy paragraph 5 of item 5 of article 8 of the Value-added and Non-value-added Business Tax Act will be entitled to tax exemption. The aforementioned sporting events, scope of activity and determination standards are determined by the competent authority in conjunction with the Ministry of Finance.

Article 25
To promote the development of the sports industry, R&D and development expenditure pertaining to sports products or services of enterprises are, in accordance with relevant tax laws or other regulations, entitled to tax deduction.

Article 26
Donations by business enterprises that accord with the following conditions can be, pursuant to item 1 of article 36 of the Income Tax Act, listed as expenditure with no cap on the amount: 1. Sports associations registered with the government. 2. Nurture and support sports teams or athletes. 3. Promote sporting activities of enterprise employees. 4. Donate to government agencies and all levels of educational institutions to establish

sports stadiums or facilities or equipment. 5. Purchase tickets to domestic sporting events, and donate to students or disadvantaged groups through schools or non-profit organizations. Implementation measures governing the aforementioned items and other related affairs are determined by the competent authority in conjunction with the Ministry of Finance.

Article 27
Participation of civic organizations that satisfy article 4 of the Act for Promotion of Private Participation in Infrastructure Projects in the construction of major public infrastructure can be handled based on stipulations of article 36 to 41 of the said Act.

Article 28
Matters pertaining to the appropriation of public land and related affairs of civic organizations that operate and manage large-scale sports facilities and are approved by the Executive Yuan through the competent authority, should be handled in accordance with relevant regulations of the Act for Promotion of Private Participation in Infrastructure Projects.

Article 29
Matters pertaining to the involvement of urban planning or non-urban land usage amendments of civic organizations that operate and manage large-scale sports facilities and are approved by the competent authority, should be handled in accordance with relevant regulations of the Act for Promotion of Private Participation in Infrastructure Projects, Urban Planning Act and Regional Plan Act.

Article 30
Matters pertaining to the connection of road required by civic organizations that operate and manage large-scale sports facilities and are approved by the Executive Yuan through the competent authority, should be coordinated and constructed by the competent authority with relevant road competent authorities, local government and other pertinent central industry competent authorities.

Article 31
To facilitate the development of stadiums, the competent authority should establish a one-stop service in conjunction with the various central industry competent authorities regarding key investment cases. Key investment cases in the aforementioned item are determined by the competent authority in consultation with the various central industry competent authorities.

Article 32
The competent authority can, in accordance with regulations, levy private land or appropriate public land for the establishment of public facilities in the development of the sports industry.

Article 33
The coming into force for this Act is determined by the Executive Yuan.