Content

Title：	Sports Industry Development Act Ch
Date：	2021.12.22
Legislative：	1. Presidential Order Hua-Zong-Yi-Yi No. 10000138461 enacted and promulgated July 6, 2011: Full text of thirty-three articles, with the date of effect to be determined by the Executive Yuan. Executive Yuan Order Tai-Jiao No. 1010009563 issued February 29, 2013: this Act shall come into effect from March 1, 2014. Executive Yuan Order Yuan-Tai-Gui-Kui No. 1010154558 issued December 25, 2012: the authority and duties of the "central competent authority in charge of physical fitness and sports" listed in Article 2 shall come under the jurisdiction of the Ministry of Education from January 1, 2013. 2. Presidential Order Hua-Zong-Yi-Yi No. 10600142251 promulgated on November 29, 2017: amendments to Articles 2, 4 to 16, 20, 23, 24, 26, 31, and 33; the addition of Article 26-1; and the deletion of Articles 17 and 18. These amendments shall take effect from the promulgation date. 3. Presidential Order Hua-Zing-Yi-Yi No. 11000113981 promulgated on December 22, 2021: amendments to Articles 6, 7, and 27; and the addition of Article 26-2, with these amendments and this addition taking effect on the day of promulgation.
Content：	**Article 1** This Act has been formulated in order to boost development of the sports industry, create a good operational environment for the sports industry, proactively enhance the sports industry's competitiveness and its alignment with international practices, and construct a high-quality sports and leisure environment for the citizens. The development of the sports industry is regulated by this Act. If a provision of another law is more advantageous for this purpose than this Act then that provision shall apply. **Article 2** In this Act the term "competent authority" refers to the Ministry of Education at the central government level; or the municipal government in a municipality; or the county (city) government in a county (city). **Article 3** In this Act the term "sports business" refers to a legal entity, a partnership, a sole proprietor, or an individual that is engaged in the sports industry. In this Act the term "sports organization" refers to a legally established non-profit organization which has popularizing sports as an objective. **Article 4** In this Act the term "sports industry" refers collectively to the sports-related industries listed below that provide products or services necessary for the public to engage in sports or view sports, or that provide supportive services that can promote sports development, and thereby enhance the citizens' physical and mental health and improve their physical stamina and quality of life. 1. Professional or amateur sports. 2. Sports and leisure education services. 3. Sports communication media or information publishing. 4. Sports demonstration performances. 5. Sports tourism. 6. e-Sports. 7. Sports gambling. 8. Sports brokers, management consultancies, or administrative management. 9. Sports complex or facility construction. 10. Sporting goods or equipment manufacturing, wholesale and retail. 11. Sporting goods or equipment rental. 12. Sports and health care. 13. Any other Industry that has been determined by the central competent authority. The details and the scope of the industries referred to in each

subparagraph of the previous paragraph shall be prescribed by the central competent authority in conjunction with each central purpose-specific competent industry authority.

Article 5
In this Act the term “large-scale sports facility” refers to a sports construction of a considerable size that is built for major international sports events. The scope of such sports facilities shall be prescribed by the central competent authority in conjunction with each central purpose-specific competent industry authority.

Article 6
The central competent authority shall consult with each central purpose-specific competent industry authority and formulate sports industry development guidelines. Such guidelines shall be reviewed and revised every four years and submitted to the Executive Yuan for approval. Local governments may formulate sports industry development strategies based on the guidelines referred to in the preceding paragraph; when formulating strategies , local governments may consult with each central purpose-specific competent industry authority. Local governments may establish a sports development fund in order to facilitate development of the sports industry. The central competent authority may designate a specific legal person to be responsible for handling operations pertaining to this Act. The central competent authority shall consult with each central purpose-specific competent industry authority to set up a sports industry statistics database, and it shall publish data periodically.

Article 7
To boost development of the professional sports industry and the amateur sports industry, governments at all levels and state-owned businesses may fund and operate sports teams I line accordance with national sports policies and sports industry development guidelines. Governments at all levels and state-owned businesses may fund and operate sports teams in line with national sports policies and sports industry development guidelines, to boost development of the professional sports industry and/or the amateur sports industry. The sports teams referred to in the preceding paragraph shall employ personnel with sports expertise or management experience and the sports teams may be operated as legal persons. The central competent authority may provide guidance or incentives to governments at any level and to state-owned businesses undertaking preparatory work before funding a sports team.

Article 8
The competent authority may provide appropriate guidance or incentive measures for engagement in the following matters to further sports industry development: 1. Establishing cross-industry cooperation models to provide innovative products or innovative services; 2. Expanding international markets and establishing private brands; 3. Industry-academia cooperation, start-up incubators, and guidance for the sports industry; 4. Training and educating skilled professional personnel for the sports industry; 5. Establishing a platform for industry collaboration and information exchange, and collecting industry-related market information; 6. Using information technology to enhance the service quality of the sports industry and increase its competitiveness; 7. Providing loan interest subsidies and credit guarantees for the sports industry; 8. Increasing the number of spectators attending major international sports competitions; 9. Expenditure for public consumption of sports as a spectator or participant; 10. Integrating local resources to promote sports industry development; 11. Construction, renovation, and operation of sports complexes and facilities; 12. Propagating sports industry research and development, production, marketing, popularity campaign, and licensing activities; 13. Other undertakings that boost sports industry development. The regulations governing who the guidance or incentives referred to in the previous paragraph are intended for, the eligibility criteria, review and approval criteria, application procedure, forms of incentives, and other related matters shall be prescribed by the central competent authority after

consultation with each central purpose-specific competent industry authority.

Article 9
The central competent authority may make a budget allocation to subsidize up to thirty percent of the salary paid to an outstanding athlete employed by a sports business or a profit-seeking enterprise to assist popularization of sports or provide sports-related services, on a case by case basis, for up to an accumulated total of five years of subsidy for each such person. The regulations governing which sports businesses, profit-seeking enterprises, and outstanding athletes referred to in the previous paragraph may receive a subsidy, the scope, determination criteria, subsidy procedure, quotas, methods, restrictions, reasons for revocation or annulment, recovery of money, and other mandatory matters shall be prescribed by the central competent authority.

Article 10
The government shall fully develop and utilize the human resources of sports businesses, integrate various teaching and research resources, and encourage colleges, universities, and the sports industry to engage in industry-government-academia collaborations to undertake research and personnel training, in order to train and educate skilled sports business personnel. The government may assist local governments, colleges, universities, and sports businesses to augment their professional sports personnel, and encourage them to build and acquire related facilities, offer related courses, or hold competitions, presentations of models to emulate, creative works, and exhibitions and demonstration performances.

Article 11
Each central purpose-specific competent industry authority may, in the light of sports industry development requirements, commission or guide and subsidize a private-sector organization to formulate competency benchmarks for skilled sports industry personnel, and promote international mutual recognition that private-sector units can refer to when undertaking skilled personnel training, recruitment, and performance appraisals. Regulations governing what private-sector organizations may receive the commission or guidance and subsidies referred to in the previous paragraph, the eligibility criteria, review and approval criteria, application procedure, the review and approval authority, and other related matters shall be prescribed by each central purpose-specific competent industry authority.

Article 12
The competent authority may make a budget allocation for subsidies for students to participate in or watch sports competitions or demonstration performances in order to promote the habit of regular exercise among the citizens and invigorate the sports industry. Regulations governing the subsidies referred to in the previous paragraph shall be prescribed by the central competent authority.

Article 13
The central competent authority shall work in conjunction with related government agencies, financial institutions, and credit guarantee institutions to set up preferred financing channels and credit guarantee mechanisms, to assist sports businesses to obtain the funds required to propagate sports services.

Article 14
The central competent authority may provide subsidies to sports businesses that introduce key techniques for the sports industry, develop international or private brands, and that help innovation and development of the sports industry, and it may provide assistance for the expansion of related international markets and for extending marketing and sales. The regulations governing the intended recipients of the subsidies referred to in the previous paragraph, the eligibility criteria, review and approval criteria, application procedure, and other related matters shall be prescribed by the central competent authority after consultation with the

Ministry of Economic Affairs.

Article 15
The central competent authority shall assist municipal and county (city) governments, state-owned and private businesses, legal entities, or individuals to set up sports industry parks in accordance with the law, and consult with each respective central purpose-specific industry authority regarding the provision of necessary guidance, subsidies, and incentives. The regulations governing the intended recipients of the guidance, subsidies, and incentives referred to in the previous paragraph, the eligibility criteria, review and approval criteria, application procedure, and other related matters shall be prescribed by the central competent authority.

Article 16
The central competent authority shall provide professional guidance resources to assist the applications to hold, preparations, and operational management of major sports competitions. The regulations governing the selection of the major sports competitions referred to in the previous paragraph and the assistance operations shall be prescribed by the central competent authority.

Article 17
(Deleted)

Article 18
(Deleted)

Article 19
The competent authority of the stations and associated facilities of state-owned public transportation systems shall reserve a specific proportion of advertising space at such stations and associated facilities and make such space preferentially available for advertising sports products or services for a discounted fee. The proportion to be reserved and the use tariff shall be determined by the competent authority.

Article 20
A person who works in the sports industry who has sufficient special professional practical experience, expertise, or achievements to enable them to engage in teaching work may accept a position to teach related courses at an educational institution, based on the provisions of Article 17, Paragraph 4 of the University Act, and of Article 24, Paragraph 2 of the Junior College Act, and is not subject to the restrictions set out in the provisions related to the academic credentials required when appointing teachers.

Article 21
In order to assist sports industry development and to facilitate the recruitment of foreign personnel to do specialized or technical work in Taiwan as a response to related changes in the business environment, an individual of foreign nationality who works in the sports industry who comes to Taiwan to engage in short-term commercial activities, give technical coaching, or give professional performances and who has not been employed by any employer in Taiwan may do so on a visitor visa for up to fourteen days, without being required to apply for a work permit. If a sports industry employs a foreign individual to engage in specialized or technical work within the sovereign territory of the Republic of China, the employer applying for their work permit and the eligibility criteria for a foreign person to be employed and the mandatory documentation may be handled using the corresponding provisions governing the employment of foreign specialized or technical work personnel by overseas Chinese or foreigners who have received government approval to invest in or set up businesses.

Article 22
In order to boost sports industry development, the government may lease

out, authorize the use of, or use other means to provide books, historical materials, artefact collections, or video or audio data, which are state-owned assets under its management. It is not, however, permitted to violate the provisions of ordinances associated with intellectual property rights. The supervisory agencies that provide the state-owned assets in accordance with the provisions of the previous paragraph shall set up a registry of state-owned asset inventories provided to outside bodies and shall publicly disclose this in an appropriate manner. The supervisory agencies may retain part of their earnings obtained pursuant to the provisions of Paragraph 1 to finance management and maintenance, technology research and development, and skilled personnel training expenses and are not subject to the provisions of Article 7 of the National Property Act or ordinances governing management of state-owned property by local governments. If the party making use of the state-owned assets is using them for non-profit purposes, the supervisory agencies may handle the matter offering the party disc pricing. The regulations or autonomous ordinances governing the leasing out, and authorizing of the use of state-owned assets, retention of earnings, and other related issues shall be prescribed by the central purpose-specific competent industry authority and by the competent authority at municipal or county (city) level.

Article 23
When sports competitions, activities, or exhibitions and demonstration performances organized by sports businesses require the use of state-owned non-public-use real estate, if the central competent authority has referred the matter to the central purpose-specific competent authority requesting approval that has been given, the supervisory agency responsible for that real estate may lease that real estate out without being subject to the restrictions of Article 42 of the National Property Act or ordinances governing the leasing out of state-owned real estate by local governments.

Article 24
The income generated by sales of admission tickets to sports competitions or activities organized by sports organizations that satisfy the provisions of Article 8, Paragraph 1, Subparagraph 5 of the Value-added and Non-value-added Business Tax Act is exempt from having business tax levied. The scope of the sports competitions and activities referred to in the previous paragraph and their determination standards shall be prescribed by the central competent authority in conjunction with the Ministry of Finance.

Article 25
In order to boost sports industry development, the amount of a company's funds which have been invested into research and development of sports goods or services may enjoy a tax liability reduction or exemption in accordance with related tax legislation or the provisions of other laws.

Article 26
Donations in any of the categories or for any of the purposes listed below made by a profit-seeking enterprise may be listed as expenses in accordance with the provisions of Article 36 Subparagraph 1 of the Income Tax Act, and there is no restriction on the amount that may be listed: 1. Donations made to a sports organization registered with the government; 2. For training or supporting sports teams or athletes; 3. For a business unit to organize sports activities for its own employees; 4. Donations made to government agencies and educational institutions at all levels for the acquisition of sports complexes and facilities or sports equipment and goods; 5. For purchasing tickets to sports competitions held in Taiwan and donating those tickets to educational institutions or non-profit organizations, which then donate the tickets to students or disadvantaged groups respectively. The implementation regulations governing the matters referred to in the previous paragraph and other related matters shall be prescribed by the central competent authority in conjunction with the Ministry of Finance.

Article 26-1
In order to nurture and support athletes, the central competent authority may open a dedicated bank account to handle matters related to donations

for athletes made by individuals. If an individual makes a donation for an athlete approved by the central competent authority through the dedicated bank account referred to in the previous paragraph, when that individual files their income tax return, they may list that donation as a tax deductible item in accordance with the following provisions: 1. A donation made without specifying a designated athlete is regarded as a donation to the government, and the full amount of that donation is listed as a tax deductible item; 2. A donation made for a specific designated athlete is regarded as a donation towards education, culture, public welfare, or to a charity institution or organization, in accordance with the provisions of Article 11 Paragraph 4 of the Income Tax Act, and the amount will be listed as a tax deductible item, in accordance with the provisions of Article 17, Paragraph 1, Subparagraph 2, Item 2-1 of the same law. If an individual has an amount that satisfies the Income Tax Act requirements for listing as a deduction referred to in the previous paragraph, that amount is not included when calculating the total gift amount of the Estate and Gift Tax Act. Regulations governing the setting up of the dedicated bank account referred to in Paragraph 1, cash flow of money to and from the account, its custodian, use, allocation, audits and supervision, approval of the athletes referred to in Paragraph 2, use of the donations received, scope of deductions listed by an individual, (tax) deduction method, documentary evidence that must be submitted, and other related matters shall be prescribed by the central competent authority in conjunction with the Ministry of Finance.

Article 26-2

In order to boost the development of the professional sports industry, the amateur sports industry, and major sports competitions, the central competent authority may open a dedicated bank account to handle matters related to donations made by profit-seeking enterprises. If a profit-seeking enterprise makes a donation to a professional or amateur sports industry approved by the central competent authority, through the dedicated bank account referred to in the preceding paragraph, when that enterprise files its income tax return, it may list a donation amount of up to a maximum of NT$10 million, and 150 percent of that donated amount will be deducted from the profit-seeking enterprise’s net income for that year. If, however, the profit-seeking enterprise and a professional or amateur sports industry that receives a donation related parties , only 100 percent of any donated amount within the limit mentioned above may be deducted from the profit-seeking enterprise’s net income that year If a profit-seeking enterprise makes a donation through the dedicated bank account referred to in Paragraph 1 to a major professional or amateur sports industry that has been approved by the central competent authority on a case by case basis , or to the organizer of a major sports competition announced by the central competent agency, when that profit-seeking enterprise files its income tax return, it may list a donation amount of up to a maximum of NT$10 million, and 150 percent of the full donated amount may be deducted from the profit-seeking enterprise’s net income for that year and it is not subject to the NT$10 million limit or to the caveat referred to in the preceding paragraph. The annual amount of accumulated funds in the dedicated bank account set up by the central competent authority in accordance with the provisions of Paragraph 1, to accept donations from profit-seeking enterprises in accordance with the provisions of Paragraph 2, is not permitted to exceed NT$3 billion, and within this limit, the central competent authority may designate maximum donations that different categories of sports and recipients are permitted to receive. The directions governing the setting up of the bank account referred to in Paragraph 1, cash flow of money to and from the account, and its custodian, use, allocation, audits and supervision ; the approval of the professional and amateur sports industries referred to in Paragraph 2, the use of the donations received, scope of related parties, (tax) deduction method, and documentary evidence that must be submitted; the criteria and scope for the approval of a major professional or amateur sports industry on a case by case basis referred to in Paragraph 3, and the categories of sport and recipients that are permitted to receive donations, and the maximum donations referred to in the preceding paragraph and regulations governing

other related matters shall be prescribed by the central competent authority in conjunction with the Ministry of Finance. The deductions referred to in Paragraph 2 and Paragraph 3, that profit-seeking enterprises are permitted to make from their net income , shall be implemented for a period of ten years, beginning December 7, 2021, the date that these amendments to this Act took effect, for donations to the professional sports industry, and for a period of five years, beginning December 7, 2021, the date that these amendments to this Act took effect, for donations to the amateur sports industry and to the organizers of major sports competitions.

Article 27
If a private-sector organization satisfies the provisions of Article 4 of the Act for Promotion of Private Participation in Infrastructure Projects, its participation in the construction, expansion, renovation, repair or operation of sports facilities which constitute major public infrastructure may be handled in accordance with the provisions of Articles 36 to 41 of the same law.

Article 28
If a private-sector organization develops and operates large-scale sports facilities with Executive Yuan approval that was requested by the competent authority, within this scope matters related to requirements for the acquisition of state-owned lands for such purposes shall be handled in accordance with the related provisions of the Act for Promotion of Private Participation in Infrastructure Projects.

Article 29
If a private-sector organization for the purpose of developing large-scale sports facility after being approved by the competent authority, if the land required within the scope of the development involves urban planning or a change to the use of non-urban land, the matter shall be handled in accordance with the related provisions of the ordinances of the Act for Promotion of Private Participation in Infrastructure Projects, the Urban Planning Law, and the Regional Plan Act.

Article 30
If a private-sector organization develops and operates a large-scale sports facility with Executive Yuan approval that was requested by the competent authority, the competent authority may coordinate with the competent authority in charge of roads, the local government, and the concerned purpose-specific industry authority to build the public access roads) that the facility requires.

Article 31
In order to boost development of the sports complex industry, the central competent authority shall set up a dedicated window to handle major investment projects in conjunction with related central authorities. The major investment projects referred to in the previous paragraph shall be determined by the central competent authority after consultation with related central authorities.

Article 32
The competent authority may apply in accordance with the law for the expropriation of privately-owned land or the appropriation of state-owned land to obtain public facility land required for sports industry construction projects.

Article 33
The date of effect of this Act shall be prescribed by the Executive Yuan. The amendments of this Act shall come into force from their promulgation date.