

# Racehorse Ownership The Costs

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## RACEHORSE OWNERSHIP THE COSTS

# 1. Registration Fees

Payable to the **British Horseracing Authority (BHA)**, there are several registration fees that are applicable. The fees vary depending on the type of ownership you have chosen to set up. Fees marked \* are subject to annual re-registration.

## SOLE OWNER

READY TO RACE	Full Fee	Discounted ROA Member Fee
Owner registration	£98.80	£79.04
Authority To Act*	£63.90	£51.12
Colours*	£65.90	£52.72
<b>TOTAL</b>	<b>£228.60</b>	<b>£182.88</b>

COMPLETE RACING PACKAGE	Full Fee	Discounted ROA Member Fee
Owner registration	£98.80	£79.04
Authority To Act*	£63.90	£51.12
Colours*	£65.90	£52.72
Authorisation of D1 (registering for VAT)	£33.40	£26.72
VAT Administration*	£47.10	£37.68
<b>TOTAL</b>	<b>£309.10</b>	<b>£247.28</b> (fees inc. VAT)

## WHY DO I NEED THE COMPLETE RACING PACKAGE?

Racehorse owners are able to register for and reclaim VAT on the costs of ownership, specifically the purchase, training and upkeep and any overhead expenses. This can amount to £000's per year.

Once registered, in order to reclaim VAT, owners need to secure sponsorship for their racing activities. ROA members can apply to have their horse(s) sponsored on the **ROA/SIS Owner Sponsorship Scheme**, join a yard sponsorship scheme if one is in operation or apply for another company to sponsor their horse(s). Registering an Owners' Sponsorship agreement will incur a further fee of £34.50 (or £27.60 for ROA members) thereby the true cost of the Complete Racing Package will often amount to £343.60 (£274.88 for ROA Members).

## RACEHORSE OWNERSHIP THE COSTS

### COMPANY OWNERSHIP

READY TO RACE	Full Fee	Discounted ROA Member Fee
Company registration	£933.80	£747.04
Registration of agent for a company*	£66.90	£53.52
Colours*	£65.90	£52.72
<b>TOTAL</b>	<b>£1,066.60</b>	<b>£853.28</b>

COMPLETE RACING PACKAGE	Full Fee	Discounted ROA Member Fee
Company registration	£933.80	£747.04
Registration of agent for a company*	£66.90	£53.12
Colours*	£65.90	£52.72
Authorisation of D1 (registering for VAT)	£33.40	£26.72
VAT Administration*	£47.10	£37.68
<b>TOTAL</b>	<b>£1,147.10</b>	<b>£917.68</b> (fees inc. VAT)

### WHAT IF MY COMPANY IS ALREADY REGISTERED FOR VAT?

If your company already has a UK VAT number, then the Complete Racing Package fees still apply in order to extend your VAT number to cover your racing activities. As with sole ownership, you will also need to register a sponsorship agreement in order to reclaim your VAT, making the true cost £1,181.60 (£945.28 for ROA members).

### PARTNERSHIP

All owners in a Partnership (between 2 – 12) must already be registered sole or company owners as already outlined. The additional fees to set up a Partnership are as follows:

	Full Fee	Discounted ROA Member Fee
Partnership registration	£240	£192
Authorisation of D2 (registering for VAT)	£66.90	£53.52
VAT Administration	£47.10	£37.68
<b>TOTAL</b>	<b>£354</b>	<b>£283.28</b> (fees inc. VAT)

One sole owner involved in the Partnership must also register Authority to Act (£66.90 or £53.52 for ROA members) in order for their trainer to be able to act on behalf of the Partnership, though this may already have been done as part of the initial owner registration (if a Ready to Race or Complete Racing Package was purchased).

Partnerships can use colours that are already registered to one of the sole or company owners involved, unless the partners wish to register a new set specifically for that Partnership. There is no fee to share colours.

If owners are registered for VAT as individuals, then they can only reclaim VAT if they own at least 50% of a horse. Therefore, if a Partnership consists of several individuals with less than 50% each, a joint application will need to be made to create a new VAT number for the Partnership to reclaim VAT as an entity. These fees are detailed in the table above.



## RACEHORSE OWNERSHIP THE COSTS

### SYNDICATE

Every registered Syndicate requires at least one named Syndicator, who must already be a registered sole or company owner. The rest of the syndicate members needn't be registered owners. The fees are as follows:

READY TO RACE	Full Fee	Discounted ROA Member Fee
Syndicate registration	£373.60	£298.88
Colours	£65.90	£52.72
<b>TOTAL</b>	<b>£439.50</b>	<b>£351.60</b>

COMPLETE RACING PACKAGE	Full Fee	Discounted ROA Member Fee
Syndicate registration	£373.60	£298.88
Colours	£65.90	£52.72
Authorisation of D2 (registering for VAT)	£66.90	£53.52
VAT Administration	£47.10	£37.68
<b>TOTAL</b>	<b>£553.50</b>	<b>£442.80</b> (fees inc. VAT)

One named Syndicator must also register Authority to Act (£66.90 or £53.52 for ROA members) in order for their trainer to be able to act on behalf of the Syndicate, though this may already have been done as part of the initial owner registration.

As with Partnerships, Syndicates can use colours that are already registered to one of the named syndicators, unless they wish to register a new set specifically for the Syndicate.

In order for a Syndicate to reclaim VAT on the costs of ownership, it must register for VAT as an entity. These fees are detailed in the Complete Racing Package above.

## RACEHORSE OWNERSHIP THE COSTS

### RACING CLUB

READY TO RACE	Full Fee	Discounted ROA Member Fee
Racing Club registration	£373.60	£298.88
Colours	£65.90	£52.72
<b>TOTAL</b>	<b>£439.50</b>	<b>£351.60</b>

COMPLETE RACING PACKAGE	Full Fee	Discounted ROA Member Fee
Racing Club registration	£373.60	£298.88
Colours	£65.90	£52.72
Authorisation of D1 (registering for VAT)	£33.40	£26.72
VAT Administration	£47.10	£37.68
<b>TOTAL</b>	<b>£520</b>	<b>£416</b> (fees inc. VAT)

### OTHER FEES

Other registration fees may apply to owners once their initial ownership has been set up. Other common fees incurred by owners include Registration of Horse Name: £103.10 (or £82.48 for ROA members) and fees relating to changing the set-up of a co-ownership. See [roa.co.uk](http://roa.co.uk) for a list of BHA registration fees.

### HAVE A QUESTION?

Please contact the ROA office on 020 7152 0200 or email [info@roa.co.uk](mailto:info@roa.co.uk) and we will be happy to assist.



## 2. Training Costs

In May 2017 we revealed the average annual training costs for horses in training during 2015. Here's a breakdown of all the costs you might expect - and some you might not!

### TRAINING FEES

CHARGEABLE SERVICE	Average annual cost (2015)	
	Flat	Jumps
Training fees	£14,444 (Avg. daily rate: £44)	£10,675 (Avg. daily rate: £39)
Pre/out of training	£813	£493
PLUS:		
Farrier	£532	£594
Vet, physio, dentist	£966	£1,506
Gallops fees (more below)	£552	£149
Clipping	£12	£23
Supplements/Wormer	£141	£91

(costs are ex. VAT)

Some trainers will include a number of the above costs in their basic rate. You should check this in advance, and ensure these basic costs are covered in your **Training Agreement**.



## RACEHORSE OWNERSHIP THE COSTS

### GALLOPS FEES

If the trainer has their own gallops then this fee may be included in the daily rate. If the trainer uses shared facilities then you are likely to pay a gallops fee on top of your daily training fee. This is normally charged straight to your racing bank account, once your horse goes into full training.

Fees for shared facilities are as follows:



Region	Price per horse, per month	Price per horse, per gallop
<b>NEWMARKET</b>	£119.85	£29.17
Plus, special gallop fees:		
Watered gallop	N/A	£22.55
Limekilns Golden Mile	N/A	£42.60
Round Gallop	N/A	£42.60
<b>EPSOM DOWNS</b>	£110	N/A
<b>LAMBOURN</b>	£119.85	£29.17
<b>MALTON</b> – Langton Wold	£60	N/A
<b>MALTON</b> – Highfield	£55	N/A
<b>MIDDLEHAM</b>	£58	N/A

(all fees subject to VAT)

### WATCH OUT FOR...

#### JOCKEY SCHOOLING FEES AND RETAINERS

Sometimes a professional jockey will be asked to ride your horse in a preparatory piece of work, or perhaps over obstacles, at home to give their opinion on your horses' fitness and/or a guide on the sort of conditions that might favour your horse. Jockeys often school horses free of charge, in the hope that they may get the ride on the track, though if the jockey is high in demand there may be a charge for their services.

If the services of a particular jockey are retained by your trainer or yard, then he or she may be paid a regular fee. You should check whether your trainer retains any jockeys, and whether you will be required to pay a percentage of the retainer. Again, this fee should be detailed in your **Training Agreement**.

#### OTHER FEES TO WATCH OUT FOR...

**Trainer's commission:** trainers may charge a commission when assisting with the purchase of a horse (or may split commission with another agent) or, more commonly, may charge commission on the sale of any horse trained by them. The normal commission rate is 5%. Any commission should be set out in the training agreement and for the avoidance of of doubt, initialled by both parties.

**Additional facilities** on or off-site e.g. ad-hoc use of a spa or swimming pool may incur extra charges.

**Behavioural specialists** may be drafted in to assist with specific problems: commonly stalls training for Flat horses, or to help with particularly keen or 'quirky' horses. These services can sometimes amount to several hundreds of pounds a time, and the owner will often be billed direct, therefore it is important to understand whether your trainer regularly uses these types of services.

To avoid being liable for unexpected bills, you should ensure your trainer details all 'extra' fees within your training agreement, and that any additional liabilities must only be incurred after due consultation with the owner(s) of the horse.

#### HAVE A QUESTION?

Detailed information on the various costs of racehorse ownership can be found within the free **ROA Guide To Ownership**. Alternatively, please contact the ROA office on 020 7152 0200 or email [info@roa.co.uk](mailto:info@roa.co.uk) and we will be happy to assist.

# 3. Racing Costs

So you've registered your ownership, found a trainer and have had a horse in training for several weeks. How much will it cost for your horse to actually race?

## RACING COSTS

2015 Average

	Flat	Jumps
Entries	£2,283	£773
Jockeys	£785	£705
Transport	£1,498	£949
Racing Expenses	£312	£173
Admin/other	£176	£168

(costs are ex. VAT)

## ENTRIES

Race Entry Fees can be anything from £20 to £000's for races of particularly high value. Owners can browse races and view the entry fees via the Racing Admin website, for which there is no charge.

**Entry Processing Fees:** an additional charge is payable to the BHA for every entry processed. The charges are £20.92 for all entries made online; or £31.33 for entries made over the phone.

**Equine Infectious Diseases Services:** for every entry made, an additional £1.20 payment will be due to the **Horse Race Betting Levy Board** for the benefit of the Equine Infectious Diseases Services of the Animal Health Trust.

**Welfare of former racehorses:** £1.25 is payable for every entry, for the benefit of former racehorses.

**Foreign races:** If your horse is entered to run in a race overseas, there will be an additional administrative charge of £78.58 payable to the BHA.

*(fees quoted are ex. VAT)*



## JOCKEY FEES

Code	Fee
Flat	£124.40
Jumps	£169.85

If the jockey is registered for VAT then this will be charged at the applicable rate, no VAT is chargeable for Apprentice or Conditional jockeys.

If your horse has been declared a non-runner after 9am on the day of the race, you will need to pay the jockey a fee of £49.76 (Flat) or £67.94 (Jump).

In addition to the above fees, owners must also pay an additional sum equivalent to 13% of the riding fee to the Trustees of the Professional Riders Insurance Scheme (PRIS).

### WATCH OUT FOR:

**Transport:** sometimes horses will be transported together or 'share' transport to the races. In these cases all owners should be charged equally for their share of the transportation cost.

**Racing Expenses:** these are normally for the stable staff and the trainer. As with transport, these expenses should be shared equally between all owners with runners on the card.

**Routine veterinary treatment or farriery on course:** such as a post-race scope, replacing lost shoes etc. Some racecourses offer free veterinary treatment on course, whereas others may send an invoice post-race.

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