

# Football Leaks: Tricks and taxes in the world of football





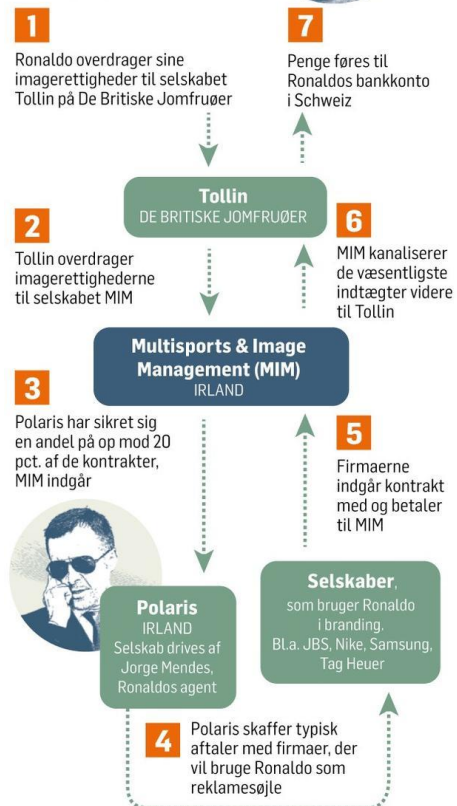
## What is Football Leaks?

- More than 18 million documents (e-mails, contracts, bills and so on) – the biggest leak in the history of sport
- Handed over to Spiegel and shared with 11 media partner in European Investigative Collaborations (EIC)
- 50 journalists, 7 months and more than 350 articles in some 12 languages – more articles later in the proces
- Some of the biggest football names involved in dodgy dealings – Ronaldo, Mourinho, Mendes, Laudrup etc.

# Tax trick I: Ronaldo and the tax haven

## Ronaldos skattefinte 2009-14

I de seks år 2009-14 tjente Cristiano Ronaldo 555 millioner kroner fra sponsorkontrakter via skuffeselskabet Tollin på De Britiske Jomfruøer. Af dem deklarerede han godt 15 pct. over for de spanske skattemyndigheder.



- Channelled 153 million euros from sponsorships all over the world into a shell company at the British Virgin Islands – JBS, Nike, Toyoya, Atmani etc.
- Sold his image rights five years ahead to make use of a Spanish tax rule securing foreign footballers a massive tax discount that was about to expire
- Declared such a small amount – and only after getting scared by the Messi case – that his effective tax rate on sponsorships 2009-2020 was 3,8 percent
- In June Spanish authorities charged Ronaldo with 14,7 million euro tax fraud

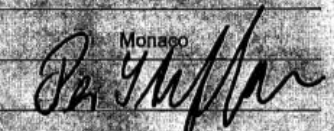
# Tax trick II: Agger and the agent switching

**§ 8 Spilleragentforhold**

Nedenstående afkrydses og udfyldes af parterne og eventuelle medvirkende spilleragenter, der samtidig hver for sig gennem deres underskrifter på kontrakten bekræfter, at de er bekendt med FIFAs og DBUs spilleragentregler og at de nedenfor givne oplysninger er rigtige:

Der har ikke medvirket nogen autoriseret eller uautoriseret spilleragent under etableringen eller indgåelsen af denne kontrakt.

Der har under etableringen eller indgåelsen af denne kontrakt medvirket følgende autoriserede spilleragent(er) <sup>1</sup>:

Som agent for klubben:	Som agent for spilleren:
Navn <u>Per Steffensen</u>	Navn _____
Adresse <u>8, Avenue Des Ligures 10B41</u>	Adresse _____
Postnr./by <u>98000 Monaco</u>	Postnr./by _____
Land <u>Monaco</u>	Land _____
Underskrift 	Underskrift _____



- When Daniel Agger transferred to Brøndby in 2014 he called Per Steffensen "his agent" – and he had been so for a whole career. But in the contract Steffensen formally represented the club, not the player
- A simple way of saving taxes for club and player so they minimize expenses for the agent fee – but illegal?
- It is widespread in Denmark where clubs save millions in taxes, Politiken has revealed. The football federations has made new rules to prevent this and tax authorities are looking in to the scheme
- It happens all over Europe – Spanish tax authorities have cracked down on it, giving fines for millions

# Tax trick III: Pogba and the uneven split

## *The Club Services*

In consideration for the provision of the Club Services, the Intermediary shall be paid in accordance with the requirements of the Intermediaries Regulations and the terms of this Representation Contract (including but without limitation clause 8 below) the following sums (the Intermediary's entitlement to which shall, without limitation, be deemed to have accrued upon the Player becoming registered with the Club under the Contract by the PL and The FA (save in the event the Intermediary has materially breached (and, where capable of remedy, failed to remedy such material breach in accordance with clause 20(b) below) any of the undertakings and warranties contained clauses 12(a) to 12(c) and 12(e) to 12(j) and 12(l) to 12(n) all inclusive)):

- (a) €3,883,658 (Three Million Eight Hundred and Eighty Three Thousand Six Hundred and Fifty Eight Euros) payable on 30 January 2017;
- (b) €3,883,658 (Three Million Eight Hundred and Eighty Three Thousand Six Hundred and Fifty Eight Euros) payable on 30 September 2017;
- (c) €3,883,658 (Three Million Eight Hundred and Eighty Three Thousand Six Hundred and Fifty Eight Euros) payable on 30 September 2018;
- (d) €3,883,658 (Three Million Eight Hundred and Eighty Three Thousand Six Hundred and Fifty Eight Euros) payable on 30 September 2019;
- (e) €3,883,658 (Three Million Eight Hundred and Eighty Three Thousand Six Hundred and Fifty Eight Euros) payable on 30 September 2020; and
- (f) €3,912,262 (Three Million Nine Hundred and Twelve Thousand Two Hundred and Sixty Two Euros) payable on 1 July 2021 subject to the Club having exercised the Option and the Contract having been extended until 30 June 2022 in accordance with the terms of the Contract.

## *The Player Services*

The Player and the Intermediary hereby agree that the existing remuneration clause in the Player Representation Contract shall not apply and in consideration for the provision of the Player Services by the Intermediary to the Player, the Intermediary shall be paid, in accordance with the requirements of the Intermediaries Regulations and the terms of this Representation Contract (including but without limitation clause 8 below) the following sums (the Intermediary's entitlement to which shall, without limitation, be deemed to have accrued upon the Player becoming registered with the Club under the Contract by the PL and The FA (save in the event the Intermediary has materially breached (and, where capable of remedy, failed to remedy such material breach in accordance with clause 20(b) below) any of the undertakings and warranties contained clauses 12(a) to 12(c) and 12(e) to 12(j) and 12(l) to 12(n) all inclusive)):

- (a) €516,342 (Five Hundred and Sixteen Thousand Three Hundred and Forty Two Euros) payable on 30 January 2017;
- (b) €516,342 (Five Hundred and Sixteen Thousand Three Hundred and Forty Two) payable on 30 September 2017;
- (c) €516,342 (Five Hundred and Sixteen Thousand Three Hundred and Forty Two) payable on 30 September 2018;
- (d) €516,342 (Five Hundred and Sixteen Thousand Three Hundred and Forty Two) payable on 30 September 2019;
- (e) €516,342 (Five Hundred and Sixteen Thousand Three Hundred and Forty Two) payable on 30 September 2020; and
- (f) €587,738 (Five Hundred and Eighty Seven Thousand Seven Hundred and Thirty Eight Euros) payable on 1 July 2021 subject to the Club having exercised the Option and the Contract having been extended until 30 June 2022 in accordance with the terms of the Contract.

- When Paul Pogba transferred to Manchester United from Juventus his agent, Mino Raiola, made 49 million euro on this one deal by representing/working for all three parties: Selling club, buying club and player
- In most countries multiple representations are allowed as long as they are disclosed – and in some countries it is illegal by law. In England dual representations are normal but tax authorities expect an even split
- This was not the case in the Pogba deal. The club paid 88 percent of 22 million euro agent fee – taxes saved

# Tax trick IV: Kadlec and the disappearing agent



Český fotbalový útočník Václav Kadlec podepsal smlouvu v dánském FC Midtjylland. Na snímku s manažerem Pavlem Paskou (vlevo) a generálním ředitelem klubu Clausem Steinleinem - Foto:ismfootball.com

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## Section 8 – Intermediaries (formerly known as "players' agents")

Please tick the relevant box below and fill in the blanks, if relevant. The parties and any intermediaries involved must also each confirm by their signature that they are familiar with the FIFA and DBU regulations on intermediaries and that the information given below is correct.

No registered or non-registered intermediary was involved in the establishment or conclusion of this Contract.

The following registered intermediary was involved in the establishment or conclusion of this Contract:

As intermediary for the Club:

Name \_\_\_\_\_

Address \_\_\_\_\_

Postcode/Town \_\_\_\_\_

Country \_\_\_\_\_

Signature \_\_\_\_\_

As intermediary for the Player:

Name \_\_\_\_\_

Address \_\_\_\_\_

Postcode/Town \_\_\_\_\_

Country \_\_\_\_\_

Signature \_\_\_\_\_

## Section 9 – Signatures

Date \_\_\_\_\_

*[Signature]*  
Club \_\_\_\_\_  
Player \_\_\_\_\_  
Date \_\_\_\_\_

Date 13/11-15

*[Signature]*  
Player \_\_\_\_\_  
Date \_\_\_\_\_  
Parent/Guardian (if the Player is under 18 years of age)

## Approval endorsement

Approved by DBU's administration

Date 20/11-15

*[Signature]*  
Danish Football Union (Stamp and signature)

- When the czech striker Vaclav Kadlec transferred to FC Midtjylland his agent, Pavel Paska, appeared on pictures with the club director and the player – and disclosed the deal to public: »Vaclav needs to get his career rolling again so we have switched to lower ranking league to get time on the field«
- But in the contract there was no agent to be found even though the rules clearly state that any agent involvement must be disclosed to the national football federation
- Many clubs in Denmark and Europe do this, Politiken has revealed. Why? The hiding of agent involvement opens for a variety of options, including tax fraud, hiding expenses and blurring money flows for authorities