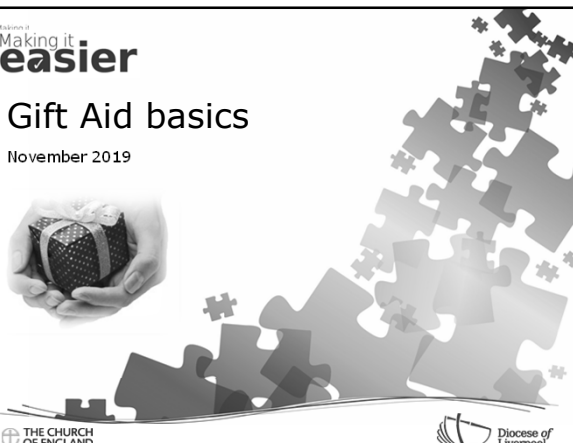


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Gift Aid basics

November 2019



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Resources team - 5 core propositions

- Parish Giving Scheme
- Budget
- Stewardship ministry
- Legacy strategy
- Normalising digital and contactless giving

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Gift Aid 2019

4

- **Gift Aid Basics:**
 - Role of Gift Aid Secretary
 - Basics
 - Operating a Scheme

Break

- **Small Donations Scheme**
- **Any questions?**

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The role of a Gift Aid Secretary

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- **Thank you!**
- **Ensure accurate records are kept**
- **Encourage tax efficient giving**
- **Encourage regular review**
- **Produce the claim**

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Encourage tax effective giving

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- **Encourage giving**
- **Encourage tax payers to give by tax effective means**
 - written
 - presentations
 - verbal
- **Encourage regular review & thank yous**

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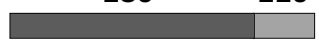
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How does tax effective giving work?

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- Taxpayers who "Gift Aid" their giving get tax relief for the payments.
- They pay a net amount, on which they have paid tax, to the church.
- The church claims back the tax, at the basic rate, from HMRC Charities.

£80 £20



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Best way to deal with Gift Aid?

- Use the Parish Giving Scheme!
- PGS donor = no work for you
- Is your parish using PGS?
- Answer = no. Why not?
- Answer = yes:
 - Need any help in converting givers to PGS?
 - Donor leaflets, PGS posters
 - Contact Cath for help
- Diocesan scheme: each PGS donor reduces your scheme admin fee



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Requirement for donor #1

- **Must be an individual, who**
 - is charged UK Income Tax and/or Capital Gains Tax for the year of donation at least equal to the tax treated as deducted from *all* their Gift Aid donations
 - can be Resident or Non-Resident
- Tax paid at any rate
- Tax paid on dividends until 05/04/2016
- Donor's responsibility to ensure tax to cover

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Requirement for donor #2

- Donation must be a gift of money
- With *no conditions* attached to the payment
- Small benefit in consequence of donation
- Only for individuals
Company donations are made gross and set against donating company's profits

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Requirement for charity #1

The charity must hold
a valid Gift Aid
Declaration for every
Donor included in the
repayment claim



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Declaration must contain:

- Donor's name - HMRC prefer **FULL** name
- Donor's full home address
- **POSTCODE**
- Church's name
- Statement identifying which donations are covered
- Confirmation that donations are to be treated as Gift Aid donations
- Note explaining tax requirement
- Also
 - Donor's signature
 - Date of declaration

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Are these addresses valid?

12 Main Street, WN1 9AA	Yes
Dunroamin, WN2 5BB	Yes
12 Main Street	No
12 Main Street, WN1	No
Main Street, WN1 9AA	No
10, WN1 9AA	Yes
12, Wigan, WN1 9AA	Yes
c/o Wetherspoons, Long St, Wigan	No

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Identifying relevant donations

Use one of:

1. The donation of £... I made to you on dd/mm/yy
2. The enclosed donation
3. All donations I make under the Standing Order mandate below
4. All donations I make on or after the date of this declaration
5. All donations I have made since dd/mm/yy and all donations I make from the date of this declaration until I notify you otherwise
6. All donations I have made for the four years prior to this year and all donations I make from the date of this Declaration until I notify you otherwise

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Confirmation that donations are to be treated as Gift Aid donations:

- **Please treat the enclosed Gift as Gift Aid donations**
- **I want my donations to be Gift Aid donations**
- ☐ **Tick here if you want to Gift Aid your donations**

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Note explaining tax requirement – NEW(ish) version

I am a UK taxpayer and understand that if I pay less Income Tax and/or Capital Gains Tax than the amount of Gift Aid claimed on all my donations in that tax year it is my responsibility to pay any difference.

- **New wording from 6 April 2016.**
- **No need to get replacements for current enduring declarations**

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Previous tax warning 1 January 2013 to 5 April 2016

I confirm I have paid or will pay an amount of Income Tax and/or Capital Gains Tax for each tax year (6 April to 5 April) that is at least equal to the amount of tax that all the charities or Community Amateur Sports Clubs (CASCs) that I donate to will reclaim on my gifts for that tax year. I understand that other taxes such as VAT and Council Tax do not qualify. I understand the charity will reclaim 25p of tax on every £1 that I have given.

This wording MUST have been used from 1 January 2013

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Declarations can be made:

- **In advance of the donation**
- **At the same time as the donation**
- **Up to four years after the donation**
 - **For payments made on or after 1 January 2015**
- **In the following ways:**
 - **In written form or by ticked box**
 - **Recording or donor confirmation of pre-recorded declaration**
 - **Computer Declaration template linked to donors banking details**
 - **Emailed copy of Declaration**
 - **Computer screen print of Declaration**
 - **Scanned image of Declaration**
 - **Mobile phone text message confirmation of declaration**
 - **Confirmation donor has been sent written confirmation of auditable Declaration**

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giftaid it

GIFT AID DECLARATION

Boost your donation by 25p of Gift Aid for every £1 you donate

Name of Church Charity Reg. number

Details of donor:

Title First name or initial(s)
Surname
Full home address
Postcode

I want to Gift Aid all the donations I have made since
...../...../20.....
and all donations I make in the future.

I am a UK taxpayer and understand that if I pay less Income Tax and/or Capital Gains Tax than the amount of Gift Aid claimed on all my donations in that tax year it is my responsibility to pay any difference.

Signature.....Date...../...../20.....

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Notes

Gift Aid is reclaimed by the church from the tax you pay for the current tax year. Your address is needed to identify you as a current UK taxpayer.

Please notify the church if you:

- want to cancel this declaration
- change your name or home address
- no longer pay sufficient tax on your income and/or capital gains.

If you pay Income Tax at the higher or additional rate and want to receive the additional tax relief due to you, you must include all your Gift Aid donations on your Self-Assessment tax return or ask HM Revenue and Customs to adjust your tax code.

HMRC requires that all payments made are in a verifiable form.

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HMRC model declaration

Charity Gift Aid Declaration – multiple donation

Boost your donation by 25p of Gift Aid for every £1 you donate

Gift Aid is reclaimed by the charity from the tax you pay for the current tax year. Your address is needed to identify you as a current UK taxpayer.

In order to Gift Aid your donation you must tick the box below:

☐ I want to Gift Aid my donation of £_____ and any donations I make in the future or have made in the past 4 years to:

Name of Charity _____

I am a UK taxpayer and understand that if I pay less Income Tax and/or Capital Gains Tax than the amount of Gift Aid claimed on all my donations in that tax year it is my responsibility to pay any difference.

My Details

Title _____ First name or initial(s) _____

Surname _____

Full home address _____

Postcode _____ Date _____

Please notify the charity if you:

- want to cancel this declaration
- change your name or home address
- no longer pay sufficient tax on your income and/or capital gains

If you pay Income Tax at the higher or additional rate and want to receive the additional tax relief due to you, you must include all your Gift Aid donations on your Self-Assessment tax return or ask HM Revenue and Customs to adjust your tax code.

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Declarations available:

- Cream Declaration to cover all giving - enduring**
- Cream Declaration with Standing Order form**
- Blue Declarations for single enclosed donation**
- Envelopes with Declaration for single donation, including baptisms, funerals and weddings**

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One-off donation Gift Aid envelopes

giftaid it

GIFT AID DECLARATION

Name of Church _____ Charity Reg. number _____

My details:

Title _____ First name or initial(s) _____

Surname _____

Full home address _____

Postcode _____

I want to Gift Aid my enclosed donation.

I am a UK taxpayer and understand that if I pay less Income Tax and/or Capital Gains Tax than the amount of Gift Aid claimed on all my donations in that tax year it is my responsibility to pay any difference.

Please notify the church if you: want to cancel this declaration, change your name or home address, no longer pay sufficient tax on your income and/or capital gains.

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Sample explanation

Gift Aid adds a bonus to any money you give to this Church.

If you are a UK taxpayer and put your gift in the special envelope provided we can receive an extra £2.50 for each £10 you give. You will need to fill in your name and home address on the envelope and sign it - but that is all.

Gift Aid is a scheme that allows any charity to claim a refund of tax the donor has paid on the money donated. You must be a UK taxpayer and understand that if you pay less Income Tax and/or Capital Gains Tax than the amount of Gift Aid claimed on all your donations in that tax year it is your responsibility to pay any difference.

The completed information on the donation envelope is required by HMRC as your declaration that you wish the church to recover the tax. The Church will regard your donation and declaration as confidential.

Thank you

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Sponsorship Declaration

Sponsorship and Gift Aid declaration form

Please sponsor me (name of participant) _____

To (name of event) _____

In aid of (name of charity or CASC) _____

If I have ticked the box headed 'Gift Aid' I confirm that I am a UK Income or Capital Gains taxpayer. I have read this statement and want the charity or Community Amateur Sports Club (CASC) named above to reclaim tax on the donation detailed below, given on the date shown. I understand that if I pay less Income Tax / or Capital Gains Tax in the current tax year than the amount of Gift Aid claimed on all of my donations it is my responsibility to pay any difference. I understand the charity will reclaim 25p of tax on every £1 that I have given.

Remember: You must provide your full name, home address, postcode & "✓" Gift Aid for the charity or CASC to claim tax back on your donation.

Sponsor's Full Name (first name & surname)	Sponsor's Home address Only needed if new Gift Aiding your donation. Don't give your work address if you are Gift Aiding your donation.	Postcode	Donation Amount £	Date paid	Gift Aid? "✓"
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
Total donations received			£		
Total Gift Aid donations			£		
Date donations given to Charity or CASC					

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Written statement to validate Declaration:

- **Information provided by donor in declaration:**
 - Name and address of donor
 - Name of the church
 - Confirmation that donation to be treated as a Gift Aid donation
 - The donations the declaration covers
- Note explaining tax requirement
- Date on which written statement sent out
- Note explaining 30 day cooling off period

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Example written statement

Full name & address & Postcode Date
Dear

Thank you for giving to the church and for agreeing, on / /, that the church can reclaim tax on all your donations.

You must be a UK taxpayer and understand that if you pay less Income Tax and/or Capital Gains Tax than the amount of Gift Aid claimed on all your donations in that tax year it is your responsibility to pay any difference.

The church will reclaim 25p of tax on every £1 that you have given.

You may cancel this arrangement in writing within 30 days and, if you do so, it will be as if this agreement had never been made. The church will keep a copy of this letter.

Yours sincerely

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What happens when things change?

- Donor can cancel at any time
- Cannot be made retrospectively, unless
 - Concerns a written statement AND
 - Within 30 day cooling off period
- Takes effect on date of notification, or later date as specified by donor
- Declarations for one-off gifts can't be cancelled
- Any amendments to names or addresses should be kept with the Declaration

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Questions




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Requirement for charity #2

- Audit trail for each donor
- showing receipt of the donation
- through the church's books and records
- to the bank statements



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Records needed for Gift Aid

- Declarations – including tax warning
- Donation records
 - Cash book
 - Paying-in book
 - Bank records
 - Envelope register
 - Sample of envelopes – month each year
- Correspondence and literature
 - Cancellations
- Record of any benefits
- Keep for 6 years

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Donor Register

- The donor's name
- The donor's full address, including postcode
- The date of the Declaration
- The date the Declaration was valid from
- The method of donation
 - Envelope, plus the number
 - Standing Order
 - Cheque
 - Occasional donation envelope
 - ... or a combination of these.

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Vestry procedure: best practice

- Count immediately after service
- 2 people. Both to sign.
- Count loose offerings separately. Analyse cash.
- Separate Gift Aid & non-Gift Aid envelopes (if known)
- Mark envelopes with contents
- If cheque, mark envelope with "cheque"
- Balance total envelope cash with total on envelopes
- Total all offerings
- Record in Parish registers
- Reminder: Keep 1 month's sample, marked contents

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Sample vestry sheet, small church

St Church on the Hill, Hillytown

Collections on: Attendance 10/10/18 Y/N

Envelope No.	Gift Aid Envs	Other Envelopes	Mission Envs
1	1	1	1
2	1	1	1
3	1	1	1
4	1	1	1
5	1	1	1
6	1	1	1
7	1	1	1
8	1	1	1
9	1	1	1
10	1	1	1
11	1	1	1
12	1	1	1
13	1	1	1
14	1	1	1
15	1	1	1
16	1	1	1
17	1	1	1
18	1	1	1
19	1	1	1
20	1	1	1
21	1	1	1
22	1	1	1
23	1	1	1
24	1	1	1
25	1	1	1
26	1	1	1
27	1	1	1
28	1	1	1
29	1	1	1
30	1	1	1
31	1	1	1
32	1	1	1
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34	1	1	1
35	1	1	1
36	1	1	1
37	1	1	1
38	1	1	1
39	1	1	1
40	1	1	1
41	1	1	1
42	1	1	1
43	1	1	1
44	1	1	1
45	1	1	1
46	1	1	1
47	1	1	1
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49	1	1	1
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51	1	1	1
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79	1	1	1
80	1	1	1
81	1	1	1
82	1	1	1
83	1	1	1
84	1	1	1
85	1	1	1
86	1	1	1
87	1	1	1
88	1	1	1
89	1	1	1
90	1	1	1
91	1	1	1
92	1	1	1
93	1	1	1
94	1	1	1
95	1	1	1
96	1	1	1
97	1	1	1
98	1	1	1
99	1	1	1
100	1	1	1

TOTAL COLLECTIONS

Signed and

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Sample income sheet, large church

St. Somers, Somersham

Date: 27 September 2015

	Net Service	Gross Service	Gross Total
Collections	12.00	66.00	66.00
Gift Aid Envelopes - 1 to 100	30.00	180.00	210.00
Other Envelopes - 201 to 300	6.00	36.00	42.00
Building Fund Gift Aid Envelopes - 301 to 600	20.00	6.00	26.00
Donation - Unrestricted			10.00
Parish/Worship Collections			6.00
Donation - Restricted			16.00
Building Fund			6.00
Parish/Worship Fees			60.00
Other Income:			
Magazines			30.00
Hill Farm			180.00
Total Income			742.00
Expenses:			
Original			40.00
Miss Jones - Sunday School Bursary			4.00
Total Income			44.00
Signature			44.00

Signed

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Envelope Register #1

Name on Declaration = name on envelope list = taxpayer

1 January to 5 April 2018

Envelope No.	Week 1 07/01/18	Week 2 14/01/18	Week 3 21/01/18	Week 4 28/01/18 Week 14 01/04/18	Total
1	2		4	2	2	104
2	25			20	45	300
3		6	4	3	5	312
Weekly Totals:	27	6	8	25	52	716

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Envelope Register #2

6 April to 31 December 2018

Envelope No.	Total	08/04/18	15/04/18	22/04/18	29/04/18	30/12/18	
1	2			4	2	2	104
2	25				20	45	300
3		6		4	3	5	312
Weekly Totals:	27	6		8	25	52	716

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Standing Order records

- **For Standing Order payers, check bank statements**

- **Check names match Declaration**
- **Record dates received**
- **Record amounts received**

Date	Description	Money out	Money in	Balance
Balance brought forward				
				212.50
1 February	Cash payment - H&M & Peter Stone	20.00		192.50
	Bank deposit - Cash: Peter Stone	20.00		172.50
	Cash withdrawal - Fuel/Shop: Andrew & John Black (10.00 + 12.00)	22.00		150.50
	Cash payment - H&M	20.00		130.50
15 February	W&A - Receipts of 200.00		200.00	330.50
16 February	Banking error - Receipts of 10.00		10.00	340.50
	Cash withdrawal - Fuel/Shop: Christopher, Michael & Bob (10.00 + 10.00 + 10.00)	30.00		310.50
	Cash payment - H&M & Peter Stone	40.00		270.50
	Bank deposit - Cash: Christopher	20.00		250.50
	Cash payment to W&A - 110.00 (but 10.00 left in bank)	100.00		150.50
21 February	Cash payment - Gas/Shop	10.00		140.50
	Bank interest received		1.00	141.50
22 February	Bank interest received		1.00	142.50
	Cash payment - Gas/Shop	20.00		122.50
23 February	Interest - 20.00 (at 10% for 1 month)		20.00	142.50
	Change to 10.00 (at 1000000?)	20.00		122.50

Standing Order Payment Control

2018

Donor	Standing order	Jan	Feb	Mar	Apr	Tot	Apr	May	Jun	Jul	Aug	Dec	Total £
P Black	£10 pm	10 6 Jan 213	10 5 Feb 213	10 6 Mar 214	10 4 Apr 215	40		10 4 May 218	10 6 Jun 219				80
C Brown	£25 pq	25 25 Jan 212				25	25 25 Apr 215						50
C White	£50 per half yr			50 7 Mar 214		50							100
Total		35	10	60	10	125	25	10	10				230

Donations Register

Other funds / one-off envelopes / extra donations etc

Year 2018 – Apr to Dec

Donor	Date GAD Valid from	Method of Payment	08/04/18	15/04/18	22/04/18	.....	30/12/18	Total
A Davies	06/04/2000	Env (15)	10		6	.....	10	26
S Jones	06/04/2005	Chq		25		.....	45	300
K Smith	20/04/2018	Env GAD			50	.....		50
Weekly Totals			10	25	56	.....	55	376

Claiming under Gift Aid

- **Claim on accounting year (31 December)**
- **Details needed for each donor:**
 - Name
 - Date of donation, or last date if more than one donation
 - Total amount of donation(s)
 - Address details – possibly use Electoral Roll (new for 2019)

Donor Claim Summary

Donna Smith Jan – Apr 2018

Method	Amount	Last donation date
Env 34	256.00	25/03/2018
SO	120.00	03/04/2018
Occ envs	50.00	27/02/2018

Total 426.00 03/04/2018

Claim summary

Gift Aid claim for period 06/04/2018 to 31/12/2018

	Envelopes	Standing Orders	Mission donations	Other	Final claim
Name	No Amount Last date	Amount Last date	Amount Last date	Amount Last date	Total Last date
Blogs, Joe	3 520.00 30/12/2018	120.00 08/12/2018	120.00 25/12/2018	100.00 06/05/2018	860.00 30/12/2018
Hardy, Thomanna	12 36.00 08/10/2018				36.00 08/10/2018
Jones, Elizabeth		1200.00 24/12/2018			1200.00 24/12/2018
Windy, Geoffery	6 400.00 25/12/2018			12.00 12/08/2018	412.00 25/12/2018
	956.00	1320.00	120.00	112.00	2508.00

Method 2 easier

Diocesan scheme: donations received report.

9999 Anytown St Sample
Donations received between 06 April 2018 and 31 December 2018

Name	Reference	Valid from	Valid to	Total Recd	Last donation date	Cashbook Folio
Contrary, Martha	999900015	06/04/2000	/ /			SO BS
Contrary, Martha	999900020	30/07/2013	/ /			SO BS
Contrary, Mary	999900004	06/04/2000	/ /			SO BS
Contrary, Mike	999900014	06/04/2000	/ /			SO BS
Green, Teresa	999900003	06/04/2000	/ /			10
Green, Teresa	999900052	06/04/2000	/ /			
Navaho, Ima	999900022	01/01/2017	/ /			
Neumann, Betty	999900012	07/07/2004	/ /			ES pm
Potter, Harry	999900006	06/04/2000	/ /			2
Smith, John Philip	999900001	06/04/2000	/ /			5
Total known recd				0.00		
Total recd						

In addition to recording the totals for each donor, please also give details of the earliest donation recorded in this date period:

Donor: _____ Reference: _____ Amount: _____ Date: _____

We certify that the contributions shown hereon have been received and our records are adequate to prove this.

Gift Aid Secretary: _____ Date: _____

Treasurer: _____ Date: _____

Recorder: _____ Date: _____

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Method 2 easier

Claiming process

- Charities online
- Only method since October 2013
- Non diocesan scheme parishes only

- Three options:
 1. Claim using online form
 2. Claim using own software database
 3. Claim using a paper form

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Method 2 easier

Option 3 – paper form

- For those who don't have internet access
- Order from HMRC
- Fill in by hand: one box per character
- For 15 donors (up to 90 with continuation sheets ChR1CS)
- Cannot use photocopies
- Automatically scanned by HMRC

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Method 2 easier

Option 2 – software database

- Intended for more than 1000 donors, can be used for any number
- Claim directly from own internal database or system
- Software provider needs to work with HMRC to ensure compliance
- Check your software can do this
- You need to sign up to Charities Online

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Method 2 easier

Option 1 – online form

- Up to 1000 donors per claim
- Sign up to Charities Online
 - Log to Government Gateway - once
 - Enrol to use HMRC Charities Online
 - Register and activate service
- Download Gift Aid schedule spreadsheet from HMRC

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Method 2 easier

Information required

Field	Required?	Maximum number of characters	Notes
Title	No	4	
First name or initial	Yes	35	No spaces
Last name	Yes	35	
House name or number	Yes	40	
Postcode	UK addresses only	-	UPPER CASE Include a space
Aggregated donations	Only if claiming aggregate donation	35	Simple description. DON'T enter Yes or Not Applicable.
Sponsored event	No	Yes or leave blank	
Donation date (or latest in series)	Yes	DD/MM/YY	DON'T use hyphens or full stops
Amount	Yes	-	DON'T use a £ sign

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[illegible]


Schedule creator (national)


Aggregate claims

- **Each Gift Aid donation not more than £20**
- **From different Declarations**
- **Aggregated line not to exceed £1000**
- **Sensible label on schedule – eg May gifts**
- **Keep supporting documents for audit trail**
- **Not for:**
 - **Donations larger than £20**
 - **Collections with no Declarations**
 - **Sponsored events**
 - **Admissions to charity visitor attractions**


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How to claim online

- **Type, or Copy and paste, information into schedule spreadsheet – and SAVE**
- **Log on to Charities Online**
- **Fill in details about claim**
- **Upload spreadsheet when prompted**
 - On screen message for any errors
 - Amend spreadsheet and re-upload
- **On screen acknowledgement of claim received**
- **Repayment paid by BACS**

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Reminders

- **Audit trail for each donation**
- **Itemisation of every cheque**
- **Avoid joint envelopes**
- **Joint accounts – if in doubt, seek clarification**
- **Reconcile at end of period**
- **Back up computer records**
- **Declaration *before* claim**

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4 year claim back period

- A charity which is a Company for tax purposes must make any claim within 4 years from the end of the accounting period to which the claim relates.
- Churches' accounting period ends on 31st December.
- Donations received *from* 1 January 2015 to 31 December 2015,
claim must be with HMRC by 31 December 2019
- Donations received *from* 1 January 2016 to 31 December 2016,
claim must be with HMRC by 31 December 2020

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Record retention

- **Keep Gift Aid records for 6 years after the end of the accounting period they relate to**
- **For example**
Claim for 2014 made in 2018,
Keep the records until **at least 31 December 2020**
- **Keep enduring Declarations permanently**
- **If HMRC asks questions about claim, keep until enquiries are finished**

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Search results for Gift Aid

Filter by: 282 results found

Organisations

Claim Gift Aid online
Submit a claim for Gift Aid, the Gift Aid small donation scheme (GASDS) and other income, schedule spreadsheet, registering and enrolling for a Charity's small donation scheme.

Claiming Gift Aid as a charity or CASC
What Gift Aid is, who can claim, what donations are eligible for Gift Aid, Gift Aid declarations for your charity or community amateur sports club (CASC), how to claim

Schedule spreadsheet to claim back tax on Gift Aid donations
Submit individual Gift Aid donations, aggregated donations and claims for sponsored events using Charities Online.

Gift Aid: what donations charities and CASCs can claim on
The types of fundraising donations that charities and community amateur sports clubs (CASCs) can claim Gift Aid on and the exceptions.

Get recognition from HMRC for your charity
Charities can register online with HMRC and claim tax relief or get tax back on Gift Aid donations and bank interest, charitable purposes, registration

Gift Aid declarations: claiming tax back on donations
How charities and CASCs can make written, verbal and online declarations and what information to include.

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Claiming Gift Aid as a charity or CASC

Contents

- Overview
- What you can claim it on
- Gift Aid declarations
- Small donations scheme
- How to claim

Overview

You can claim back 25p every time an individual donates £1 to your charity or community amateur sports club (CASC). This is called Gift Aid.

You must be **recognised as a charity or CASC** for tax purposes.

There are rules on **which donations you can claim Gift Aid on**.

You can **claim Gift Aid online** - you should get your payment within 5 weeks.

What the donor needs to do

Related content

- Charities and tax
- Claim Gift Aid online

Explore the topic

- Charities, volunteering and honours
- Charity money, tax and accounts
- Community amateur sports clubs (CASCs)

www.gov.uk/claim-gift-aid

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Search results for charities detailed guidance

94,558 results found

Organisations

Charities: detailed guidance notes on how the tax system operates
Find out **how to register a charity** for tax, your obligations, and any reliefs or exemptions available.

The Charity Commission
6 July 2016, Charity Commission
The home of The Charity Commission on GOV.UK. We register and regulate charities in England and Wales, to ensure that the public can support charities with confidence.

Get information about a company
Get company information including registered address, previous company names, directors' details, accounts, annual returns and company reports, if it's been dissolved.

Tax your vehicle
Renew or tax your vehicle for the first time using a reminder letter, your log book, the 'new keeper's details' section of a log book - and how to tax if you don't have any documents.

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Chapter 3: Gift Aid
Updated 23 January 2019

Chapter 3.1 Introduction

This chapter covers the Gift Aid Schemes for donations to charity by:

- individuals (legislation at sections 413 to 430 Income Tax Act 2007)
- companies (legislation at sections 191 to 202 Corporation Tax Act 2010)

Chapter 3.2 Gift Aid for individuals from 6 April 2000

3.2.1 The Gift Aid Scheme was originally introduced by section 25 Finance Act 1999 but was substantially amended by Finance Act 2000 and later Finance Acts. The current legislation is at sections 413 to 430 Income Tax Act 2007.

A donation qualifies for Gift Aid if it's a gift consisting of a 'payment of a sum of money' by an individual who's paid, or will pay UK tax, to a charity and satisfies all of the following conditions:

- the gift is not subject to a condition as to repayment
- the gift is not a Payroll Giving donation
- the gift is not deductible from income for tax purposes
- the gift is not part of an arrangement for the charity to acquire property from the individual or a connected person

Contents

- Chapter 3.1 Introduction
- Chapter 3.2 Gift Aid for individuals from 6 April 2000
- Chapter 3.3 Individuals who can make a Gift Aid declaration
- Chapter 3.4 Methods of donation
- Chapter 3.5 Tax to cover
- Chapter 3.6 Gift Aid declarations
- Chapter 3.7 Recording and audit of Gift Aid declarations
- Chapter 3.8 Declarations that have been invalidated or corrected
- Chapter 3.9 Further information on the contents of the Gift Aid declaration
- Chapter 3.10 Particular types of Gift Aid declarations
- Chapter 3.11 Gift Aid for companies
- Chapter 3.12 Tax treatment of companies making Gift Aid donations to charities or

www.gov.uk/government/publications/charities-detailed-guidance-notes/chapter-3-gift-aid

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Gift Aid

increase your gifts at no extra cost to your donors.

giftaid it

Gift Aid is a generous government provision which recognises the value churches and charities bring to our society. Worth around £80 million to the Church of England in 2013 and nearly £1.5 million to Liverpool in 2014, Gift Aid makes each £10 given by eligible tax payers worth £12.50 to the local church. It just costs a little time and some good administration. Liverpool has an excellent track record and a reputation for Gift Aid expertise.

- For a brief introduction to Gift Aid and sources of further information see the **Basics of Gift Aid**.
- The Resources team offer regular training events to support Gift Aid secretaries, offer advice on running your own church's Gift Aid scheme and signposting to further Gift Aid advice.
- Our diocesan Gift Aid scheme takes much of the strain out of Gift Aid administration in the local church. Find out more at the **Diocesan Gift Aid Scheme** page.
- HMRC now expects all Gift Aid claims to be made online. While paper claims are still possible our **Online Claims** page tells all and makes it easy.
- There is excellent and affordable software designed for churches which can simplify both recording and claiming. See **Online Claims** for a brief overview.
- The recently introduced **Gift Aid Small Donations Scheme** (GASDS) is worth up to £1250 a year to every church.

Finances

- Fees >
- Gift Aid >
- increasing our income >
- Managing our money >
- Parish Share >
- Reducing our expenditure >

In This Section

- Alerts from HMRC >
- Basics of Gift Aid >
- Diocesan Gift Aid Scheme >
- Fit & Proper Persons >
- Online Claims >
- Small Donations Scheme >

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Common Gift Aid errors #1

In Gift Aid claims:

- **No Gift Aid Declaration**
- **Incomplete/incorrect Gift Aid Declaration**
- **No evidence of receipt of donation**
- **Donor not an individual**
- **Payment not a gift**
- **Missing off donation dates – errors on date of donation (simple typos)**
- **Using donation amounts and Gift Aid received on adjustments**

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Common Gift Aid errors #2

- **Not including a regulator number (even when one is ticked)/inputting HMRC reference as regulator number**
- **Submitting a claim before making changes to the records – person who submits the claim is not authorised**
- **Updating Charity Commission records but not updating HMRC records**

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Common Gift Aid errors #3

- **Misunderstanding of what an aggregated donation is**
 - **£20 or less from different donors**
 - **Don't give names – only description of donations**
 - **Only add together donations in same accounting period**
- **Confusing GASDS with aggregated donations and vice-versa**

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Common claiming errors #4

In GASDS claims:

- **Claiming for both "Main" element and Community Buildings**
- **GASDS limit exceeded**
- **GASDS claimed by accounting period, not tax year**
- **Entering GASDS on Gift Aid schedules**
- **Not eligible for GASDS**
- **Duplication of previously claimed Gift Aid when submitting GASDS only claim**

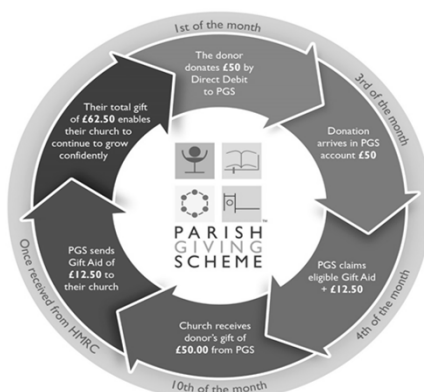
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Want to reduce your workload and record keeping?

Use the PGS!



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