

Frequently Asked Questions about Gift Aid

How does Gift Aid work?

Gift Aid is a government scheme which allows UK charities to reclaim the tax on donations you have made.

You don't necessarily have to be working to pay tax. Apart from tax on an income from a job or self-employment, the tax you have paid could include:

- ✓ Tax on your state or private pension
- ✓ Tax on investment or rental income
- ✓ Capital Gains Tax on gains
- ✓ Tax deducted at source from savings interest (Building Society savings etc)

The basic rate of tax is 20%, which means that every £10 donation you make is worth £12.50 to the church.

What happens if I pay the higher rate of tax?

If you pay higher rate tax i.e. at 40%, you are able to claim the difference between the higher and lower rate tax yourself. For example: if you donated £100, the value of your donation to charity is £125 – you can claim 20% of this i.e. £25. You would make this claim on your Self Assessment tax return.

How do I know if I pay enough UK Income/Capital Gains tax?

You must pay an amount of Income Tax and/or Capital Gains Tax that is at least equal to the amount of tax the charity will reclaim on your gifts (currently 25p on every £1) For example if you make a donation of £100 per year the charity will reclaim £25.00, therefore you must pay more than £25.00 tax in that same year (*based on 20% tax rate*).

What if I don't pay any or a sufficient amount of UK tax?

Unfortunately, you will be unable to 'Gift Aid' your donation, however please complete the form overleaf and we will make a note on your records and refrain from asking you again in the future.

I'm no longer a tax payer but can you claim the Gift Aid on donations I made in previous years?

Yes, just let us know when you paid stopped paying tax and we will only 'Gift Aid' donations made prior to this date.