

GIFT AID

1. What is it and what are the legal requirements?

GIFT AID is a simple scheme that enables the Church to recover tax on any donation you make at the basic rate of 22%, increasing your donation by 28%. If you are a 40% tax payer you can recover the additional 18% on your tax return.

All that is required is a signed declaration giving your name and address, and your confirmation that you are a British tax payer.

2. Practical workings of Gift Aid

Payments to the Church have to be verifiable and can be made as follows:

- (a) by standing order direct into the Church bank account (forms available)
- (b) by cheque
- (c) through the numbered envelope scheme

It is essential that tax recoverable on all your Gift Aid payments in any tax year does not exceed the tax you actually pay in that year. If you calculate that tax recoverable does exceed that paid, there are two ways to overcome the situation:

- (1) In certain circumstances, the Gift Aid claim can be carried back to the previous year.
- (2) If the excess is caused by a proposed large gift near the end of the tax year, ie. The Redevelopment Fund Gift Day, the gift can be split into two instalments on either side of 5th April so that one payment falls in the following tax year.

If you wish to discuss any items on a personal and confidential basis, I shall be pleased to meet with you to discuss your individual circumstances.

Tony Mills
Gift Aid Secretary
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