

GIFT AID

NEWSLETTER

For many years, the RCB has offered a service to parishes across Northern Ireland to assist in the preparation and submission of Gift Aid claims to HM Revenue & Customs.

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We can continue to do this for your parish even if you are separately registered as a charity.

Important update - Declarations



HM Revenue & Customs (HMRC) Charities has updated the guidance on Gift Aid declarations for new donors and the RCB has created new model declarations to reflect these recent guidelines.

The new declarations are available for download from:

www.ireland.anglican.org/giftaid

Alternatively, please contact this office and we will send you the required number of forms.

Some parishes prefer to use their own tailor-made declaration or envelopes. These will also need to be updated to reflect the new regulations. There is a checklist of the minimum information that must be included in a declaration on the back page of this newsletter. If, after looking at the checklist, parishes find their declarations/envelopes need to change, they need to make these changes as soon as possible. The old style declarations will not be accepted after 31 December 2012.

Where we have already received a Gift Aid declaration including the old wording it will not be necessary to ask the donor to supply a new declaration.

The new declarations apply to new donors only!



The Representative Church Body
Church of Ireland House
Church Avenue
Rathmines
Dublin 6

Contact us:

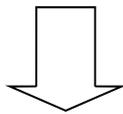
Phone: +353 | 4125618 / 4978422
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Reminder of Gift Aid Procedure

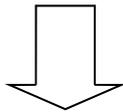
The RCB provides a service to parishes in Northern Ireland whereby Gift Aid tax reclaims are processed centrally, records maintained and applications made to HMRC by the RCB.

The Gift Aid system allows parishioners to donate whatever they may wish but many parishes regard it as good practice to ask parishioners to commit to an amount as this is a way of predicting the parish's revenue for the coming year. We supply forms to suit either preference.

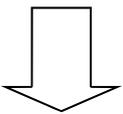
Parishes send signed declarations to the RCB which are entered on our central database. These do not need to be renewed but can be cancelled at any time.



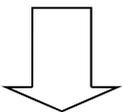
The parish treasurer decides on an anniversary date which will be the cut off date for the annual return. This could be the calendar or tax year end, or indeed any month end.



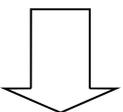
On the chosen anniversary date, (e.g. at the end of December), a cash proof is sent to the parish treasurer for completion. The cash proof will include the names of all regular donors to the parish who have signed and submitted a Planned Giving Declaration. Donations must be split by the tax year which always ends on 5 April.



Once the cash proof is completed by the parish and returned to the RCB, it is checked and amounts are entered into our database.



A claim is made to HM Revenue & Customs.



Once the refund is received from HMRC, the RCB will transfer the amount due to the parish to the parish bank account. Detailed advices of the amounts will be sent to the Gift Aid Secretary.

Gift Aid Small Donations Scheme (GASDS)

It was announced in the 2011 Budget that, from April 2013, charities that receive small donations of £20 or less will be able to apply for a Gift Aid style repayment without the need to obtain Gift Aid declarations for those donations.

It has since emerged that this Scheme is quite distinct from Gift Aid and may not be applicable in Northern Ireland. The GASDS is set to be introduced in England in 2013, funded as a public expenditure rather than a tax relief measure.

We will keep you informed of developments over the coming months.

Keeping Records



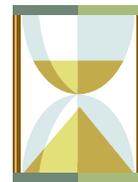
While reviewing some of the guidance for charities, an error was identified by HMRC in the guidance on keeping records. The guidance stated that the four-year time limit for making claims also applied to the retention of records. This is incorrect - records need to be kept for at least six years.

HMRC have apologised for this error and realise that charities may have relied on this guidance, and may have already destroyed some records which were over four years old.

If records for this period have been destroyed based on previous guidance, HMRC will not penalise parishes for not having retained the full six years' worth of records.

For those parishes that have kept records for between four and six years, these records do now need to be retained for the full six-year retention period.

Time limits on Gift Aid claims



Gift Aid claims must be made no later than four years after the end of the accounting period to which the claim relates.

So, for donations made during the period 6 April 2008 - 31 December 2008, the final date on which a Gift Aid repayment claim can be made to HMRC Charities is 31 December 2012.

In order to avoid missing this deadline, please send any outstanding claims relating to 2008 in as soon as possible!

Please ensure that we are kept up to date with changes to Treasurers and Gift Aid Secretaries. Changes should be notified in a letter signed by the Rector and the Secretary of the Select Vestry. If possible, please also provide an email address and contact telephone number along with full name and address of incoming treasurer/Gift Aid Secretary.



Frequently Asked Questions



If a parishioner gives more than they have signed up for, can the excess be claimed?

Yes! The amount entered on the cash proof should be the **actual** amount given by each parishioner during the year. This may include separate donations, such as, a Harvest donation or a Gift Day donation together with their Free Will Offering.

Can a declaration be withdrawn at any time?

Yes. Should a parishioner wish to withdraw their declaration, the treasurer should notify the RCB with the date when the declaration should cease. No further donations should be claimed for this individual from that date.

What if a parishioner is a higher rate tax payer?

The RCB (charity) can only reclaim tax at the basic rate. Higher rate tax payers can claim the difference between the higher rate and the basic rate of tax in their self-assessment return.

If a person has over claimed, what should the parish treasurer do?

It is important to refund the Revenue the excess amount of tax claimed. Please contact the RCB with the information and we will inform you of the amount to be refunded. The RCB will in turn refund the Revenue on the parish's behalf.

Can I complete a form on a parishioner's behalf?

Yes, but it is strongly advised to send them a copy of the completed declaration form or ask them to write a letter of consent.

How often should a declaration form be renewed?

If the individual has specified that their declaration covers all future donations made to the parish it is valid until they withdraw it and no renewal is necessary.

If a visitor to the parish makes a donation, can we claim tax back?

Yes, they can complete a Once-Off giving declaration as long as they are a UK tax payer.

Checklist for new declarations

The minimum a Gift Aid declaration must include, **even for a once off gift**, is:

Name of Charity (Parish)

Full name (donor initials and surname)

House name/number and postcode

Details of the donation (amount and date donation was made)

A statement or tick box confirming that the amount should be treated as a Gift Aid donation.

The declaration must now include a confirmation that the donor was given explanation that they must have paid enough Income Tax and/or Capital Gains Tax to cover the amount that all charities they donate to will reclaim for that tax year. Council tax and VAT do not count and the donor should understand that the charity will reclaim 25p of tax on every £1 that they have given.

It is possible to have an option on the declaration to specify whether it covers present/future/past donation(s).

You can find sample declarations on www.ireland.anglican.org/giftaid or, alternatively, we will be happy to send as many as you require by post.