

Gift Aid – Your questions Answered

What is Gift Aid?

The Government introduced the Gift Aid scheme on 6th April 2000 to provide a simple and effective way for registered charities to recover from the Inland Revenue the tax paid by donors on giving from tax-paid income.

How does Gift Aid affect me?

If you do not pay any of the following:

- + income tax
- + tax on investments
- + capital gains tax

then you are not affected at all. You do not qualify for tax to be reclaimed on your donation.

PLEASE DO NOT fill in a Gift Aid form.

I pay tax, so what do I need to do?

You are required to make a declaration that you are a tax payer and that IcfEM-Mission (Europe) Charitable Trust is authorized to make a claim for tax relief on any donations you make to the Trust up to your taxation limit.

I only pay a small amount of tax, so how am I affected?

Provided you pay any of the forms of tax mentioned in the previous question, then the IcfEM-Mission (Europe) Charitable Trust can make a tax claim. The amount that can be claimed on your donations in one year may not be more than the amount of tax which you pay during that year.

How to make a declaration?

There are two ways to make a declaration. You may either complete a declaration form, which we will supply, or you may make a verbal declaration. If you make a verbal declaration you will receive a confirmation letter from the IcfEM-Mission (Europe) Charitable Trust and you will be entitled to a 30 day 'cooling off' period.

How much tax relief can IcfEM-Mission (Europe) Trust claim?

While the standard rate of income tax is 22%, for each £1 donated under Gift Aid, IcfEM-Mission (Europe) reclaims from the Inland Revenue approximately 28 pence. Therefore for every £10 donated IcfEM-Mission (Europe) receives an additional £2.80. For £100 the Gift Aid is £28, and for £1000 we get an additional £280.

I am a higher rate taxpayer. What is the implication for me?

IcfEM-Mission (Europe) can only claim the 28 pence per £1 given, however you get a further tax relief of 18% on all charitable giving, which you need to claim through your annual tax return. If you wish for IcfEM-Mission (Europe) to benefit from the entire tax relief then you should increase your donation accordingly e.g.

You Give	£100.00	£130.00
Trust claims	£28.21	£36.67
Trust total	£128.21	£166.67
You claim	£23.08	£30.00
Cost to you	£76.92	£100.00

What happens if I cease to pay tax?

Just make the Trust aware of this and the records will be amended so that no claim is made to the Inland Revenue.