



Central England Quakers  
Trustees Finance Committee

Revised: April 2021

## **GUIDELINES TO LOCAL MEETINGS AND BRANCHES ON CLAIMING GIFT AID**

**Full details of the Gift Aid rules and regulations, and guidelines for claiming Gift Aid, may be found on the HMRC website [www.hmrc.gov.uk/charities/giftaid](http://www.hmrc.gov.uk/charities/giftaid)  
Telephone Number 0300 123 1073**

**The following is a brief summary – please look at the website for full details and rules**

### **1 Gift Aid – the basics**

Gift Aid is a way for charities to increase the value of monetary gifts from UK taxpayers by claiming back the basic rate tax paid by the donor. It can increase the value of donations by a quarter (25p in the £1) at no extra cost to the donor.

#### ***Donations that qualify for Gift Aid***

Gift Aid can only be claimed on gifts of money from individuals, sole traders or partnerships, in any of the following forms:

- cash / cheque / postal order / foreign currency
- direct debit
- credit or debit card
- standing order/bank transfer

#### ***Payments that don't qualify for Gift Aid***

These include:

- donations of money from a company, payroll giving
- payments received in return for goods or services - these are not gifts - for example purchase of Christmas cards or tickets to a concert.
- gifts made using 'charity vouchers' or 'charity cheques' provided by another charity

**Volunteer Expenses** – Gift Aid may be claimed on reasonable expenses (eg train fares) paid to volunteers only if the amount (or part) is paid back to the charity by the volunteer and if the volunteer pays income tax

### **2 Gift Aid Forms**

These are available to download from the HMRC website. The form that is most relevant to CEQ will be for multiple (enduring) donations although there is also one for single donations. There will be no need to get existing donors to complete revised forms but they must be used for all new donors.

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Telephone 0121 236 2644 Email: [ceq@phonecoop.coop](mailto:ceq@phonecoop.coop) Internet: [www.centralenglandquakers.org.uk](http://www.centralenglandquakers.org.uk)

The Central England Area Quaker Meeting Charities, registered charity number 224571

### 3 Gift Aid envelopes

Gift Aid envelopes which are pre-printed with the latest declaration wording are a simple and convenient way of recovering Gift Aid on casual donations (cash or cheque). CEQ envelopes for use by Local Meetings are freely available from the Area Office. All you have to do, to personalise the envelopes, is to print or stamp the name of your Meeting on them

### 4 Keeping records

You must keep the following auditable records which will be available to HMRC if required

- Record of donations
- all Gift Aid declarations which include confirmation that they must pay at least as much UK tax (for the tax year that they donate) as the amount you will reclaim on the donation
- Pre printed GA envelopes with donor details must be kept for 4 years
- any cancellations of Gift Aid declarations. If a Gift Aid Declaration is cancelled, the form must be kept for 6 years from the date of receipt of the last donation.
- any benefits you provide to donors

### 5 Making a claim

If your meeting is not already registered to make Gift Aid claims you can apply to HMRC for enrolment and registration. This process may require some additional help from CEQ Finance Committee. You will firstly be required to register with HMRC Charities who will provide you with an activation code and a reference number. Central England Quakers is the umbrella for our meetings and branches and the next step is to get recognition from HMRC for the meeting. [www.gov.uk/charity-recognition-hmrc](http://www.gov.uk/charity-recognition-hmrc) The green start button will go through 3 questions to which the answer is yes which will be followed by a request for the reference numbers already obtained. The resulting form is then completed which will include information about CEQ so that HMRC can verify that the meeting/branch is part of this charity. Relevant reference numbers will be provided. This process will take 6 – 8 weeks to complete. This registration is completed on line – the postal form is no longer available. Should you wish to ring HMRC Helpline, the telephone number is at the top of this information. They are usually very helpful.

There will be the need from time to time to change the name of the authorised person who deals with Gift Aid Claims. This is done by downloading form CHV1 from the Charities section of HMRC website for completion. The variation form also requires the details and signatures of two responsible people for example, the examiner or link Trustee. Once all details and signatures are obtained, then the completed form is forwarded to HMRC Charities and a letter will be received confirming the changes. Enrolment – for new user – is processed as noted in the paragraph above.

There are three options for making a claim of which only two will apply to Central England Quakers. (The other option relates to companies dealing with their own software and hundreds of donors)

#### CEQ Options

**Option 1:** Claim Gift Aid online (<https://www.gov.uk/claim-gift-aid-online>). A spreadsheet can be downloaded and copied and this can then be adapted and completed each time you make a claim. This is completed before you continue online with your claim and attach the spreadsheet. Just to note that with claims over 1000 donations, special software will be required

**Option 2:** Claim using the paper form ChR1 Gift Aid and Tax repayment claim. This form will be available from the helpline for those who do not use or have access to the internet as noted above. Please make sure you have your charity details and relevant numbers ready when you phone.

The following details will be required:

Title (optional)

Donor Initials or first name

Donor surname

House name/number

Postcode

Date and value of donation

If you are including payments made over a series of dates, you only need to record the date of the last payment.

The paper version ChR1 is designed so that the information can be scanned into the new system. Only original ChR1 forms will be accepted – no photocopies.

## **6 Gift Aid Small Donations Scheme - GASDS:**

You can now add together cash donations of £30 or less from unidentified donors, eg collection for meeting house funds. The requirements include that you must have made a previous successful Gift Aid Claim and that you receive small donations. The maximum amount of Gift Aid you can claim through GASDS in any one year is £2000. Your GASDS claim, however, cannot be more than 10 times your Gift Aid claim. For example, you can claim on £1000 worth of donations through GASDS if you have received £100 of Gift Aid donations in the same tax year.

Claims under GASDS are made the same way as under the normal Gift Aid Scheme but must be claimed in the same year that you receive them. Claims can now be backdated for two years, claiming only what could have been claimed at the time. You will need to record total cash collected, date collected and date paid into bank.

CEQ Trustee Finance Committee, however, has a concern that, although perfectly legal, this concession may not be consistent with Quaker ethical principles as it allows tax to be reclaimed on behalf of donors who may not have paid it. Local Meetings are, of course, free to make their own decisions about whether to take advantage of this new scheme, but Friends should be encouraged to maximise “traceable” gift aid donations through the use of gift aid envelopes and other schemes where donors are identified and able to confirm their eligibility.

## **7 Treatment of Gift Aid on the AM pro-forma**

When completing the Area Meeting proforma, for consolidation, you should include, as part of your declared income, the **value of Gift Aid associated with the donations**. This may differ from the value of Gift Aid actually received in the accounting period, especially if the Gift Aid claim period differs from your accounting period. **Gift Aid which is due to you, but which you have not yet claimed should be recorded in the Balance Sheet as a Debtor.**

If you need further advice on this, please speak to your Examiner, or to one of the Area Meeting Treasurer team.

**Wendy Burnett (CEQ Gift Aid adviser)**