

Gift Aid

Through the Gift Aid scheme, the Government allows registered charities to claim back the income tax already deducted from donations they receive. All of the parishes in the Diocese of Dunkeld are registered under Charity No. SC001810 and are therefore able to claim back income tax on amounts given by parishioners in Offertory Collections and other ad hoc donations.

All that is required is:-

1. You are a tax payer and pay an amount of UK Income or Capital Gains Tax equal to or greater than the amount recovered by the Church from your Gift Aid declaration. (**Other taxes such as Council Tax or VAT do not qualify**).
2. The Church gets back 25p for every £1 donated and the official guidance on how much tax you need to pay is based on the total donations made over the tax year. You are asked to divide the total donation by four. For example, if you give £100.00 in a particular tax year, you will need to have paid £25.00 tax over that period. (This is based on the basic rate tax of 20%)
3. However, most people pay tax monthly through the PAYE system and may appreciate some general guidance to reassure them that they are paying enough tax to cover their Gift Aid declaration. If you make your Offertory Collection **monthly**, you simply divide the monthly amount by four. So a monthly donation of £10.00 requires tax of £2.50 per month. For those who make their Offertory Collection **weekly** the position is slightly more complicated as there is a mixture of 4 and 5 week months during the year. As a rough rule of thumb, you must pay on average £1.08 per **month** in income tax for every £1.00 you give per **week**.
4. It is worth emphasising that unlike the Covenant system which preceded Gift Aid, there is no obligation on you to give a specific amount for a set period of time. The Church can make a claim for any amount you give whether it is weekly, monthly or only occasionally.

5. You must complete a Gift Aid declaration form. The only personal information needed on the form is your name address and postcode.

6. If you pay your Offertory Collection in cash, you must do so in envelopes. The reason is that we need to maintain an audit trail in case HMRC decide to audit our Gift Aid claim. If you do not already have Offertory Envelopes, some spare sets are available. For those who pay by standing order, the entry on the church bank account statement provides the audit trail.

7. Finally, please notify us of any change of address or if your circumstances change and you no longer pay UK Income or Capital Gains Tax.