

Gift Aid – your questions answered

What is Gift Aid?

Gift Aid is a Government scheme that allows you to increase the value of your gift by a total of 28% without costing you any extra, meaning a gift from you of £10 will be worth £12.82 to ACT. To qualify for Gift Aid, you need to pay income and/or capital gains tax equal to that which ACT will reclaim. The current amount is 25p for every £1 you give. However, between 6 April 2008 and 5 April 2011, the Government will supplement this with an additional 3p for every £1 you give. This additional 3p is called transitional relief, and is being given to charities by the Government as a result of the recent change in the basic tax rate, from 22% to 20%. This transitional relief does not affect your personal tax position.

How do I know if my donations are eligible for Gift Aid?

You are eligible for Gift Aid if you are a UK tax payer, i.e. if you can say yes to **any** of the following and pay enough in tax to cover the equivalent of the amount ACT is claiming back, i.e. 25% on your donation (in the case of a £10 donation, this would amount to £2.50 you would have to pay in tax):

- **You pay income tax on paid employment**
- **You pay tax on a private pension scheme**
- **You pay tax on savings**
- **You have recently paid capital gains tax on the sale of a property or shares – or expect to pay it in the near future**
- **You pay tax on Self Assessment**

What types of donations are eligible for Gift Aid?

Any personal donation to ACT, including single and regular giving donations, are eligible for Gift Aid, provided you pay UK tax. Regarding CAF donations, please see the below.

What if I donate via CAF?

CAF donations are not eligible for Gift Aid but any other gifts you may have made or make in future will be. By ticking the declaration form we will not claim anything on your CAF donations but it will ensure that any other gifts you make are covered.

What if I am a pensioner?

You might still pay tax on a private pension scheme or a savings account, or pay capital gains tax if you sell property or shares. The amount of tax you have paid needs to be more than the amount we will be reclaiming each year.

What if I am a higher rate tax payer?

ACT can only reclaim tax on your gift at the basic rate. If you are a higher rate tax payer, you can claim the difference between the higher rate of 40% and the basic rate of 20% in your Self Assessment return. Alternatively, you can tick a box on your Self Assessment form which means that ACT can claim back the remaining 20%.

What if I change my mind or I am no longer paying tax?

Simply contact ACT on 01223 – 217757, so we can update our records.

Once I make the declaration, will I have to keep making them in future?

No. One declaration will cover all the gifts you have made to ACT in the last six years, as well as any gifts you make in the future.

Do I have to give a minimum donation to ACT to declare Gift Aid?

No. Gift Aid can be applied to all donations, large and small, provided your tax contributions for the year are at least equal to the amount reclaimed (25p in every £1 you give).

Will I have to tell my local tax office?

No. Just fill in your personal details, tick and date the form and we will do the rest.

Where can I find more information?

You can find out more about Gift Aid by visiting the HM Revenue and Customs website www.hmrc.gov.uk or by calling the HMRC helpline on 0845 302 0203 (open from 8.00 am to 5.00 pm, Monday to Friday).

If you require any further information please call the ACT office on 01223 217757 or email act@addenbrookes.nhs.uk



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