The Representative Church Body – Gift Aid Services to NI Parishes

The Gift Aid System

Donations made by individuals to Charities or Community Amateur Sports Club (CASC) allow the charity or CASC to claim back tax from HMRC under the gift aid scheme. Church of Ireland parishes can avail of this tax relief provided that the donor pays sufficient tax to cover the donation. The Gift Aid system allows parishioners and parish supporters to increase any donations they make to the parish by 25p for every £1 donated, or in other words, 25%. Parishioners or parish supporters may donate any amount and at a frequency to suit them through a number of different ways–

- Regular Planned Giving – either through the parish’s envelope scheme, direct debit or standing order
- Once-Off Giving – for a special occasion or event (e.g. in memory of a loved one, a special fundraising event such as raising money for a new organ, or an occasional donation by someone who has an association with the parish but lives elsewhere in the UK)
- Sponsorship – sponsorship for taking part in a parish fundraising event (e.g. sponsored swim, run, bed push, etc.)
- Church Festival Collections – Easter, Harvest, etc.
- Gift Aid Small Donations Scheme (GASDS) – this scheme is for anonymous small cash donations of £20 or less with the most usual collection method being the weekly service plate collection.

As this is entirely up to the individual parish, the RCB supply forms to suit all practices – see below for details on the different forms. 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.

The Representative Church Body (RCB) Gift Aid Services

The RCB provides a professional service to parishes in Northern Ireland whereby Gift Aid tax reclams are processed centrally, records maintained and applications made to Her Majesty’s Revenue Commissioners (HMRC) by the RCB. Over the past six years, the RCB has managed in excess £31.5 million in donations for Northern Ireland parishes which has generated an extra £8.01 million of tax refunds for parishes. The chart below illustrates how this is broken down.
The RCB has worked with HMRC for many years and has built up a strong working relationship due to its professional administration and continuity of approach. The RCB deals with HMRC on general Gift Aid queries and all HMRC Gift Aid audits. Where an audit is of a larger scale, the RCB will provide support at a local level by supporting the parish treasurers/gift aid secretaries in collating records required for the audit. Post audit the RCB will liaise with HMRC and parishes and will deal with any outstanding queries.

The benefits that Parishes obtain by placing their Gift Aid administration with the RCB are:

- Provides profession trusted approach and know-how for Gift Aid tax reclaim.
- Consistency in Gift Aid procedures even if there are changes at Parish level of personnel.
- Submit regular claims to HMRC and pay amounts over to Parish on receipt of claims being refunded by HMRC.
- Removes the burden of administration from the Parish.
- Removes the burden of HMRC Gift Aid audits from the Parish and places these with the RCB.
- Removes the burden of keeping up to date with legislative changes within taxation.
- Ensures on-going compliance with HMRC regulations.
The RCB Gift Aid Process

• Parishioner completes & signs Declaration form and returns to Treasurer, who decides on Gift Aid anniversary month and forwards form to RCB.

• RCB enters form details into central database and sends unique donor reference to Treasurer. Declaration forms do not need to be renewed but can be cancelled at anytime.

• On anniversary date RCB sends Treasurer claim form and when completed Treasurer returns signed form to RCB. Form will list all current donor names and unique ref. numbers. Donation amounts to be entered in relevant tax year.

• RCB checks form for audit purposes and enters claim details into database in preparation for submission to HMRC.

• RCB places online submission for all Gift Aid claims received within a given period with HMRC - this varies between 2 & 6 weeks depending on time of year.

• When refund received from HMRC (approx. 4 to 6 weeks after claim submission date) RCB sends claim refunds to individual parishes via bank transfer and forwards details to the parish.

Fees

While there will always be costs involved in the administration and maintenance of Gift Aid records, the RCB is committed to keeping charges as low as possible for parishes. Currently our fee structure is as follows –

<table>
<thead>
<tr>
<th>Giving Type</th>
<th>Grossed Up Donation Amount</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift Aid Planned Giving &amp; Once-Off Donations</td>
<td>£1 - £15,000</td>
<td>1.75%</td>
</tr>
<tr>
<td></td>
<td>£15,001 +</td>
<td>0.60%</td>
</tr>
<tr>
<td>GASDS</td>
<td>£1 - £10,000 (max)</td>
<td>0.75% (subject to a min. of £5 and max. of £40)</td>
</tr>
</tbody>
</table>
Increase in GASDS Annual Ceiling to £8,000

As from 6th April 2016, the maximum amount that a parish may claim a top-up payment on small cash donations of £20 or less is £8,000 per year – an increase of £3,000. Where the maximum of £8,000 is collected under GASDS, an extra £2,000 in tax relief can be recovered. Please see the reverse of the GASDS form for further details.

Forms

New Style Declaration Forms for Planned Giving & Once-Off Donations

New style Gift Aid declaration forms with simplified wording were introduced by HMRC in October of 2015 to help reduce the number of non-taxpayers completing Gift Aid declarations. There was no change in Gift Aid legislation. We updated our forms to comply with the request that the wording be changed by 6th April 2016.

If you are not currently using the new style forms, we would encourage you to do so as soon as possible for new donors, as the wording is clearer regarding the requirement that the donor has paid sufficient tax to cover the Gift Aid claim on their donation and their responsibility to refund HMRC in the event of insufficient tax being paid. There is no need for those donors who have previously completed declarations to complete a new form as the existing forms are still valid.

Sponsorship for your Parish

There is a sponsorship and Gift Aid Declaration form available to make a gift aid donation to parishes from a sponsored event.

Is sponsorship a feature of the donations received by your parish? Do you know how to claim Gift Aid on sponsored donations?
It is very easy to do – all you need is a sponsorship line style form that provides an option for the donor to Gift Aid their donation which the person running the event is responsible for its completion and collection of donations. Once the event is over and the money lodged in the parish bank account, the completed and signed form is forwarded to the RCB for claim processing and submission to HMRC. There a couple of important things to remember – like all Gift Aid donation declarations, a valid postcode must be given and corporate sponsorship cannot be Gift Aided.

These forms, and the GASDS claim form, are available to download from our website - [www.ireland.anglican.org/giftaid](http://www.ireland.anglican.org/giftaid) - or you may request copies by emailing [giftaid@rcbdub.org](mailto:giftaid@rcbdub.org) or telephoning +353 1 4978422.
Completing Gift Aid Claim Forms – A Checklist

Please make sure that you have all of the following items /actions completed before forwarding to the RCB for submission to HMRC.

Gift Aid Planned Giving Claim Form

- Check the list of donors for those donors and mark it accordingly so the RCB records may be updated –
  - Who have left the parish
  - Are no longer paying tax
  - Are deceased
- Total value of donations has been entered for each donor per tax year period (6/4/20XX to 5/4/20XY).
- The last donation date for the relevant tax year period has been entered in the appropriate section.
- The overall total of all donations has been entered in the Declaration Section of the claim form.
- The form has been signed and dated by 2 people.
- A copy of the completed form has been kept for parish records.

Once-Off Giving Form

- Has the donor completed the form correctly –
  - Amount
  - The box confirming the donation has been ticked.
  - All relevant donor details have been entered including the postcode
  - The form is signed and dated
- Has the parish completed the following parts –
  - Parish name & diocese
  - Signed the declaration
  - Confirmed receipt of the donation

GASDS Form

- Have you ......
  - Entered the parish name.
  - Entered the full address, including postcode
  - Entered the amount – Max of £5,000 in year 2015/2016 and £8,000 for all further years
  - The form has been signed and dated by two members of the Vestry