



With every £1
donated with
Gift Aid



Cancer Research UK
gets an extra 25p from
the government, at no
extra cost to you



GIFT AID - SUMMARY

Pages 2-6 contain the full do's and don'ts regarding Gift Aid, but in brief:

- If **YOU pay in money** online against your name and it is **YOUR MONEY**, you **CAN** claim gift aid **online**.
- If **YOU pay in money** online against your name but it is **MONEY YOU'VE COLLECTED FROM OTHERS** you **CANNOT** claim gift aid **online**.

Instead, you will need to get your donors to complete the donation (= gift aid) form, then hand it to the Finance Chair and he/she will add the money to your team total and make sure the forms are being sent to CRUK.

Make sure that when claiming gift aid on donations these are genuine donations. Red flags for HMRC for instance are individual amounts like £12.96, £100.50, £1032.00. Another red flag would be a team member adding several online donations in their own name and claiming gift aid for each donation. Consequently, the Gift Aid will be rejected with potential further investigations against the whole of Relay!

- When **completing a Gift Aid form**, make sure it has been completed correctly by each individual donor:

full name, **home** address, **postcode**, **date of donation** and have ticked the Gift Aid box.

i.e.:

valid entry: *Mrs Sharon Sloane, 15 Fore Street, Birmingham, B40 5ST*

not a valid entry: *Mrs Sloane, Fore Street, Birmingham (no first name, no house number, no postcode)*

- The form must be completed by the actual donor.

15 entries in the same handwriting will make HMRC slightly suspicious! They will refuse the form completely, regardless of any other legitimate entries on that form.

Please use a separate gift aid form for each event. I.e. one form completed by donors for a marathon you ran (or attempted to..), another form completed by donors who sponsored your skydive.

Where possible also please attach a note to the form giving the date the money was banked so we can match the form to the banked money.



Gift Aid – The Official Rules

Gift Aid allows Cancer Research UK to reclaim the basic rate tax on a supporter's gift. This means HM Revenue & Customs will give the charity an additional 25% (25p in every pound) for every donation. For example, a gift of £10 using Gift Aid is worth £12.50 to the charity. In order to claim Gift Aid on a donation, certain rules apply.

When you can claim Gift Aid

Any donation received from an individual directly by the Fundraising Group or Relay for Life Committee can qualify for Gift Aid, as long as:

- a **valid Gift Aid declaration** has been completed and sent to Cancer Research UK (CRUK) for each **individual donor** making a personal donation
- The donation form can be matched to the correct Giro number
- CRUK has the donor's full name, home address, postcode and date of donation
- The supporter must be a UK taxpayer

The paperwork provided must allow us to trace the receipt of the donation.

Examples of valid Gift Aid donation:

- donations made by individuals of their own money
- Candle of Hope donations
- some collections where Gift Aid declarations are completed e.g. House to House collections when CRUK's collection envelopes are used. If you are planning to hold a collection please get further guidance from your CRUK contact as there are additional requirements for this type of activity

When you cannot claim Gift Aid

Please note: If the individual has received a benefit as a consequence of making a donation, this income is NOT normally Gift Aid-able, for example, a ticket to an event or a raffle ticket. A Candle of Hope bag is not a benefit due to its minimal value.

The charity is unable to claim Gift Aid on the following types of income:

- | | |
|---------------------|--|
| • Entry fees | • Legacies |
| • Payroll giving | • Raffle tickets |
| • Company donations | • Product sales |
| • Ticket sales | • CAF vouchers |
| • Auctions | • Fundraising activities e.g. cake sales |
| • Store collections | |

Personal Donation from an Individual

If your Fundraising Group or Relay For Life Committee receives a personal donation from a supporter:

- Ask them if they are a UK taxpayer and if they will fill in a Gift Aid declaration form to allow CRUK to claim an extra 25% on their donation from HM Revenue and Customs.
- Check they have completed the form with their **full** name, **home** address, **postcode**, **date of donation** and have ticked the Gift Aid box.
e.g. Mrs Sloane, Fore Street, Birmingham (not valid)

Mrs Sharon Sloane, 15 Fore Street, Birmingham, B40 5ST (valid)

- Write the amount of their donation on their form.
- Pay the donation into your Fundraising Group or Relay For Life Committee bank account.
- Keep a copy of the giro/paying-in slip which you used to pay the money in with.
- Record the name of the donor, the amount of donation, the date of the donation was paid into your Fundraising Group or Relay For Life bank account and the relevant giro/paying-in slip number on the Fundraising Group Gift Aid form/ Income Return form.

When you send in your next Fundraising Group payment to CRUK please also **enclose the Gift Aid declaration form and Fundraising Group Gift Aid form**. Where practical, please keep a copy of any Gift Aid declarations that you send to Oxford as these are important documents. On this form you can include the details of all the gift-aided donations that are included in your payment. This form is a vital part of the Gift Aid claim as it provides HMRC a financial audit trail.

Sponsorship Donation from an Individual who is Taking Part in a Sponsored Event

If your Fundraising Group or Relay For Life Committee is to receive money from someone who is taking part in a sponsored event ask them to use official CRUK sponsor forms as they contain the correct Gift Aid wording and the personal details required from each sponsor. Where possible pre-fill the sponsor forms with your group and event details. Ask the supporter to ensure their sponsors complete their full name, **home** address, postcode, the date of the donation and that they tick the Gift Aid box. Without these full details we cannot claim Gift Aid on the donations. When the individual gives you their sponsorship money:

- Pay the money into your Fundraising Group /Relay For Life bank account.
- Keep a copy of the giro/paying-in slip which you used to pay the money in with.
- Record the name of the donor (this is the person who raised the sponsorship, not their sponsors), the total amount of sponsorship raised, the date the money was paid into your Fundraising Group / Relay For Life bank account and the relevant giro/paying-in slip number on the Fundraising Group Gift Aid form / Income Return form.
- When you send in your next payment to CRUK please also enclose the sponsor forms and the Fundraising Group Gift Aid form / Income Return form. On this form you can include the details of all the sponsored event participants that are included in your payment. This form is a vital part of the Gift Aid claim as it provides HMRC a financial audit trail.

Sponsorship Donations from events with Multiple Participants (i.e. more than 15)

If there are more than 15 participants in a sponsored event:

- Pay the money into your Fundraising Group / Relay For Life bank account.
- Keep a copy of the giro/paying-in slip which you used to pay the money in with.
- Record the name of the event, the total amount of sponsorship raised, the date the money was paid into the bank account and the relevant giro/paying-in slip number on the Fundraising Group Gift Aid form / Income Return form.
- When you send in your next payment to CR-UK please also enclose the sponsor forms and the Fundraising Group Gift Aid form / Income Return form. The cheque must be for at least the total amount of sponsorship raised or more. On this form you can include the details of all the sponsored events that are included in your payment. This form is a vital part of the Gift Aid claim as it provides HMRC a financial audit trail.

Collections Made via Funeral Directors

Where possible **encourage all Funeral Directors to use Cancer Research UK Gift Aid declaration forms / collection envelopes** as they contain the correct Gift Aid wording and sections for the personal details required from the supporter.

- Please ask the Funeral Director to record the amount of each donation on each Gift Aid declaration form / collection envelope.
- The Funeral Director must send you all the Gift Aid declaration forms/ collection envelopes with their cheque.
- Pay the cheque into your Fundraising Group / Relay For Life bank account.
- Keep copies of the bank paying-in slips you used to pay the money in.
- Record the name of the donor, the amount of the donation, the date the money was paid into the bank account and the relevant giro/paying-in slip number on the Fundraising Group Gift Aid form / Income Return form.
- When you send in your next payment please also enclose the Gift Aid declaration forms / collection envelopes and the Fundraising Group Gift Aid form / Income Return form. The payment must be for at least the total amount of the Gift Aid-ed donations or more. This form is a vital part of the Gift Aid claim as it provides HMRC a financial audit trail.

Gift Aid & Ticket Sales / Registration Fees

Ticket sales/registration fees to events are not eligible for Gift Aid as members of the public are buying the right to entry/participate at the event, and therefore this income would not be classified as a donation. This applies to any amount referred to as a “donation” if it is in effect part of the ticket price, and without paying it, you would not get entry to the event.

A donation eligible for Gift Aid must be freely given with nothing given back in return. However, **you can ask for a donation in addition to the ticket price**— in which case the suggested donation is eligible for Gift Aid. For it to qualify as a suggested donation the participants should still be able to join the event if they only pay the ticket price. All promotional literature must make it clear that entry/registration can be gained to the event without making the donation.

Claiming Gift Aid on Auctions

Usually CR-UK cannot claim Gift Aid on funds raised from auctioning items. In certain situations we may be able to claim Gift Aid if items are auctioned under certain strict conditions. However, these conditions increase the risk that auction items raise less money. Please read the conditions below and consider carefully whether this is right for you.

Conditions

In order to claim Gift Aid on funds raised from auction items the commercial value of each auction item must be known and bidders must be informed of this value prior to the auction.

If the item raises more than the commercial value, the funds raised above this figure are considered to be a donation and the charity is able to claim Gift Aid on this amount.

To do this the commercial value of the item auctioned is taken away from the total amount paid by the individual, and the remainder qualifies for Gift Aid - **but only if**:

- The item purchased in the auction could be purchased separately
 - i.e. Item is commercially available; and
 - i.e. The donor is aware, at the time they make a successful bid, that the item could be purchased separately and the value it can be bought for

You must have evidence that this happened for Cancer Research UK to claim Gift Aid. You therefore require:

- Evidence of the commercial value of the item (i.e. demonstrating the market RRP price for an item in an auction lot listing)
- Evidence that bidders were informed of the commercial value of the item prior to the auction (i.e. the donor is provided a copy of the auction lot listing)
- Evidence of the total funds bid for the item
- A list of donors and a valid Gift Aid declaration from each donor, including a list of the donation element for each auction item.

Restrictions:

This model only applies to items that are new and commercially available. If the item has been customised (for example a signed football shirt) or is not available to the public at large, then no Gift Aid can be claimed regardless of the value it reaches at auction.

Equally, a promise to do something - such as wash a car or give a music lesson - cannot be eligible for Gift Aid, **UNLESS** that promise is also available commercially from that person, such as a promise by a professional golfer to give a free golf lesson who also charges for a similar lesson at that golf club. If this is the case Gift Aid can only be applied to the value paid above the commercial value of that service.

Risk

Since buyers know before bidding for a lot the value of the item they may be unwilling to pay above the commercial value for it. They may instead be on the lookout for a bargain! A lot more may have been paid if they did not have this additional information.

Further Information: [Institute of Fundraising Gift Aid on Charity Auctions guidance](#)

Frequently Asked Gift Aid Questions

How do I know if I am a UK taxpayer?

A taxpayer is someone who for example:

- Pays income tax on their salary or self-employed earnings.
- Has a private / occupational pension that is taxed at source.
- Receives interest on savings that is taxed at source.
- Has UK dividend income.
- Has recently paid, or expects to pay in the next few months, any capital gains tax (for instance on the sale of some property or shares).

Please note that in order to Gift Aid a donation an individual must pay at least as much income and/or capital gains tax as the charity will claim on the gift in the tax year in which the donation is made.

What if I am a higher rate taxpayer?

The charity claims tax on a donation at the basic rate of tax, even if you are a higher rate taxpayer. You can claim the higher rate relief personally.

Can a Gift Aid declaration be withdrawn?

If donors want to cancel their Gift Aid declaration because they no longer pay sufficient tax, they can do so at any time in any form of communication to Cancer Research UK. The cancellation will take effect from the day the cancellation is made or from the date the donor specifies (if later).

Is there any restriction on the number of charities I can give to under Gift Aid?

No. You can give to as many charities as you like, providing you give a separate Gift Aid declaration to each charity and you pay sufficient tax to cover all of the Gift Aid claimed by all of the charities.

Can I make a Gift Aid payment to a UK charity if I do not live in the UK?

Yes, in certain circumstances. Crown employees serving overseas (typically as a serving member of the armed forces or a diplomat) and those that are not UK resident but pay UK income and/or capital gains tax can make a Gift Aid donation.

Where can I get further information?

You can visit the HM Revenue & Customs website at: <http://www.hmrc.gov.uk/individuals/giving/gift-aid.htm>