

# Diocese of Middlesbrough

## GIFT AID OFFICE

Curial Office

50a The Avenue

Linthorpe Middlesbrough

TS5 6QT

E-mails: [giftaid.legacy@dioceseofmiddlesbrough.co.uk](mailto:giftaid.legacy@dioceseofmiddlesbrough.co.uk)  
[giftaid.admin@dioceseofmiddlesbrough.co.uk](mailto:giftaid.admin@dioceseofmiddlesbrough.co.uk)

Tel: (01642) 850505

Fax: (01642) 851404

12 November 2008

To:  
Parish Gift Aid Organisers

Dear Colleague

Further to the recent series of presentations that were held at three different venues around the Diocese during week commencing 20 October 2008, I thought it might be useful to prepare some notes that briefly explain the simplicity and flexibility of the Gift Aid Scheme.

You may wish, in your capacity as the Gift Aid Organiser for your parish, to use the attached notes as the basis of a talk designed to explain Gift Aid to your parishioners. The notes may be used as a crib and, if you wish, can be altered to suit the content and length of any explanatory presentation you may wish to give to your parishioners.

In the event that you mislay these notes, it is my intention to transfer the contents on to the Diocesan Website in the form of a pdf document. Such a document could then be downloaded as appropriate.

Please let me know if there is anything in the attached notes that you are not sure about, or if you require any further information.

Best wishes.

Yours sincerely

*M Russell*

**Martin Russell**  
**Gift Aid & Legacy Promotions Officer**

Encl

mr/pab

# GIFT AID – WHAT IS IT?

## NOTES FOR A PRESENTATION BY PARISH GIFT AID ORGANISERS

If you make a gift to your parish (by cash, cheque or standing order) it is possible to increase the value of the donation by an extra 25%.

**How do you do that?**                      *Answer:* Gift Aid it.

**How do I Gift Aid a donation?**        *Answer:* Complete a Gift Aid Declaration.

**Completion of a Gift Aid Declaration:** A Gift Aid Declaration is a simple form to complete. All you have to do is complete the details of your Name and Home Postal Address (including post code).

To complete the Gift Aid Declaration you must be paying UK tax on your source(s) of assessable income and/or gains.

The Gift Aid Declaration is duplicated in three distinct colours, ie white, pink and blue. The white copy is passed to the Diocesan Gift Aid Office, the pink copy is retained within the parish Gift Aid records and the blue copy is given to the donor for his/her retention.

**When can I complete a Gift Aid Declaration?**    *Answer:* At any time, providing it is within a period of no more than six years since a donation has been made by you to your parish.

You do not have to renew the Declaration on a regular basis, but you can cancel it at any time.

If you cease to pay tax you should inform either myself or your Parish Priest – the Gift Aid Declaration will then be cancelled and any donations that you subsequently make will not be treated as Gift Aid donations.

**What happens after I have completed a Gift Aid Declaration?**    *Answer:* If you make your donation(s) by either cash or cheque you will be given a batch of uniquely numbered envelopes. Simply place your donation within the envelope and place that on the Offertory Plate.

If you make your donation(s) by standing order the Gift Aid Declaration will have had a standing order mandate attached to it. You should have completed the mandate and forwarded the white copy to your bank for its attention, the pink copy will be passed to me for retention within the parish Gift Aid records and the blue copy should be retained within your own personal records.

**How is a Gift Aid Donation different?**    *Answer:* When you make a Gift Aid donation you are treated as making your payment net of basic rate tax.

The donation is then grossed up to take account of the current basic rate of tax – your donation is, therefore, increased at no extra cost to you by an amount of 25%.

**Example:** You give £10 as a Gift Aid donation to your parish. I then gross up your donation by 25% making a grand total of £12.50. I forward details of your donation to the Diocesan Gift Aid Officer, who then makes a claim to HM Revenue & Customs for an extra amount of £2.50. Once that claim has been approved by HM Revenue & Customs an amount of £2.50 is transferred to the Diocesan Gift Aid bank account.

The Diocesan Gift Aid Officer then authorises the transfer of the amount of £2.50 to your parish bank account.

You have made the donation of £10 from your own pocket and the tax man has increased the value of your donation by repaying some of the tax you have already paid, or had deducted at source, from your assessable income/gains.

It has not actually cost you anything extra to increase the value of your donation – it has been done through the generosity of the heart of the tax man!!!

**Are you involved in making the claim for repayment of tax on your donations?**

*Answer:* No.

I prepare the claim with the assistance of the Diocesan Gift Aid Officer.

**If I complete a Gift Aid Declaration does anyone here in the parish or at the Diocesan Gift Aid Office know anything about my tax affairs?**

*Answer:* No.

Your tax affairs are confidential between you and HM Revenue & Customs. Neither I nor the Diocesan Gift Aid Officer has any wish to know anything about your personal affairs.

You simply need to appreciate that the amount of income tax and/or capital gains tax that you pay in a tax year is at least equal to or more than the amount of tax repayment claimed on your donations by the parish.

The tax that you pay personally may have been deducted from any of the following sources:

- Salary, fees or bonuses derived from any employment
- Profits derived from any self employment
- Interest credited to a bank/building society account(s)
- Rental income received from the letting of property
- Dividend income derived from shares held in a company or unit trust
- State retirement pension
- Occupational pension(s)
- Gains assessable on the disposal of chargeable assets liable to capital gains tax

If you have any queries regarding Gift Aid please don't hesitate to ask me at the end of Mass today.