



Multiple Sclerosis Society

## Gift Aid: an introduction

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### What Is Gift Aid?

Gift Aid allows charities to reclaim tax from **eligible** donations from Her Majesty's Customs & Excise (HMRC). Currently, charities can get **25p** back for every £1 donated, which can represent a sizeable amount of money.

The total value of Gift Aid to your branch will vary depending on both the size and nature of your income. But on balance there are probably very few branches that will not find it worthwhile to claim.

### Eligible and ineligible donations

Eligible donations are donations which come from individuals who pay UK Income Tax and/or UK Capital Gains Tax for each tax year, at least equal to the amount of tax the branch wishes to reclaim in that tax year.

To claim Gift Aid, individuals must complete a Gift Aid declaration for the branch. A copy of the **Gift Aid declaration form** is available in **appendix E** of the **Treasurers' handbook** and on our **volunteer website**.

These sources of income are generally **eligible** for Gift Aid:

- Membership fees (and any associated donations provided that the fees were paid by the member themselves)
- Donations
- Regular bank credits from individuals
- Sponsorship income - providing it is received from a known individual
- In memory donations

Whilst the following donations are **ineligible** for Gift Aid:

- Gifts received more than 4 years ago
- Collection boxes - (the Gift Aid and Small Donation Scheme does not apply to branches)
- Raffle tickets
- Anonymous donations
- Trading income
- Legacies
- Company/organisations income
- Collective sponsored event income (if individual tax payers/gifts cannot be identified)
- Collective in memory donations (if individual tax payers/gifts cannot be identified)
- Gifts from overseas
- Income where the donor has received a significant benefit
- Gifts from non-UK taxpayers
- Gifts from charitable trusts
- Grants

**MS National Centre (MSNC) will claim Gift Aid on eligible income received direct from donors and from membership fees. Therefore, please do not make a claim for income received from the MSNC.**

### **How much can we claim?**

Recently, the rate we can reclaim in tax changed.

- A branch can reclaim **28p** of tax on every £1 of eligible income received **up to 5 April 2011**
- A branch can reclaim **25p** of tax on every £1 of eligible income received **on or after 6 April 2011**

### **Can I claim for past donations?**

Yes, provided the branch has a Gift Aid declaration, a branch can make a claim on eligible donations received in the past 4 years.

## Registering with HMRC

### Not registered?

Branches are required to register directly with HMRC to obtain a **HMRC charities reference number**.

### How to register

To register for Gift Aid, you must complete **ChA1 HMRC Charities Gift Aid application form**.

Download the form - <http://volunteers.mssociety.org.uk/resources/227> and guidance for completing it - <http://volunteers.mssociety.org.uk/resources/229> from our **volunteer website**.

Once successfully registered, HMRC will send you a letter with your HMRC reference number. A claim can then be made.

### Already registered?

If your branch has been registered in the past and there are no changes that need to be made to the registration, you can complete a claim - see below.

### Changes to your registration

For a change in address, bank details, authorised official responsible person or anything else, you must complete the **ChV1 HMRC Charities Gift Aid variations form**.

Download the form - <http://volunteers.mssociety.org.uk/resources/235> and guidance for completing it - <http://volunteers.mssociety.org.uk/resources/234> from our **volunteer website**.

If the name of your branch has changed since you last claimed Gift Aid then you will need to notify HMRC and may need to complete a new **ChA1 HMRC Charities Gift Aid application form**.

**Please wait at least 1 month for the ChV1 form to be processed before submitting a claim.**

## Making a claim

Branches should declare **eligible** income received either:

- via **Charities Online**, using the HMRC spreadsheet format claim form
- on **paper**, using the **ChR1 HMRC Charities paper repayment claim form**

In order to complete these forms, you must know your **HMRC reference number** (see **Registering with HMRC**).

You must keep records supporting each claim (declarations, accounting records, bank statements) as HMRC may wish to audit claims made by the branch. Payments by HMRC will be made into the nominated Barclays cash pooling bank account shortly after a successful claim is made.

### Option 1 - via Charities Online

1. In order to enrol, you will need to use the spreadsheet claim schedule available from the HMRC website. The spreadsheet needs to be in the correct format before submission to the HMRC. It must have the file extension **.ods** as opposed to **.xls** or any other extension.

**Top tip** - To create the **.ods** file extension you will need to use the 2010 version of Microsoft Excel, or you can download free software from the **LibreOffice** website - <http://www.libreoffice.org/>.

2. Create an account in the name of the branch using the **Government Gateway** at the HMRC Online section of the HMRC website - <https://online.hmrc.gov.uk/login>.

**Top tip** - The HMRC has a link to a demonstration of how to create your Government Gateway account - <http://www.hmrc.gov.uk/charities/online/charities-demonstrator.pdf>

3. Submit these claims through your branch Government Gateway account.

**To use the spreadsheet method, your claim must list fewer than 1,000 donation entries.**

## Option 2 - paper submissions

To make paper submissions you will now need to complete form **ChR1 HMRC Charities paper repayment claim form**. If you have more than 90 entries, a continuation form called **ChR1CS** must be used. These forms are available by contacting the **HMRC Charities Helpline**.

### **Making a claim for sponsored events?**

If you are claiming Gift Aid on donations from a sponsored event, you do not need to include individual donor details except for donations over £500. Instead, you should enter the name and address of the participant in the sponsored event using up to a maximum number of characters per line:

**Title: 4 characters**

**First name: 35 characters**

**Last name: 35 characters**

Enter 'yes' in the sponsored event box and enter the date the sponsorship payments were received by the charity and the total amount raised from all donations by this participant.

If any of the donations are over £500 these should be shown as if they were normal Gift Aid donations rather than donations from sponsored events.

Do not enter 'yes' in the sponsored event box.

**Source** - *HMRC website guidance on how to enter sponsorship event income onto the HMRC spreadsheet.*

**We recommend that branches make a claim once a year for donations received during the accounting year (1 November - 31st October).**

## Record keeping requirements

- **Declarations** - written declarations and copies of confirmation letters have to be kept for 6 years after the date of the last claim.
- **Transaction Records** - we need to provide an audit trail for HMRC to show that a claim relates to a donation we can trace back to a specific individual (bank statements/receipt books/transaction ledgers, etc) Once again, these should be retained for 6 years after the claim.

## Gift Aid declarations

Charities may accept a Gift Aid declaration that is written or submitted electronically (where the facility exists).

Branches are able to accept written declarations. You can find a template declaration in **appendix E** of the **Treasurers' handbook** or on our **volunteer website** - <http://volunteers.mssociety.org.uk/resources/379>.

## Centralised branch membership renewal and Gift Aid

You can find details of how our renewals system operates on the **volunteer website** or by phoning the **membership team**. The main principles of the scheme are as follows:

- MSNC take responsibility for membership renewals on behalf of all branches
- When members join or renew, they will be asked where they wish any additional donation to go - locally or nationally. All donations assigned to be used locally will be passed to the branch.
- The £5.00 membership fee is paid over to branches on a monthly basis
- Any Gift Aid claimed on eligible fees and donations received by the MSNC will be retained by the relevant National centre (England, Ireland, Scotland or Wales)

**Top tip** - You can find contact details for the **membership team** in **sources of support**, at the back of this guide.

# Sources of support

## Our volunteer website

Whatever you do as an MS Society volunteer, you'll find the latest news and information to help you carry out your role on our volunteer website, [www.volunteers.mssociety.org.uk](http://www.volunteers.mssociety.org.uk).

### **Making it work: a committee handbook**

<http://volunteers.mssociety.org.uk/committee-handbook>

### **Treasurers' handbook**

<http://volunteers.mssociety.org.uk/resources/65>

### **Gift Aid guidance**

<http://volunteers.mssociety.org.uk/finances>

## Teamspirit

Teamspirit is our bi-monthly newsletter that's sent out to all branch volunteers and branch and national support group committee members. Packed full of news and information, it's a great way to stay up-to-date with everything MS Society related. You'll find regular treasurers' updates in the **Finance** section.

### **Teamspirit archive**

<http://volunteers.mssociety.org.uk/teamspirit>

## HMRC

HM Revenue & Customs  
Charities Correspondence S0708  
PO Box 205  
Bootle  
L69 9AZ

### **Charities Helpline: 0845 302 0203**

Web: [http://www.hmrc.gov.uk/charities/gift\\_aid/](http://www.hmrc.gov.uk/charities/gift_aid/)

**The HMRC has recently changed its postal address for Gift Aid claims.** Don't worry if you have sent claims to the previous Bootle address - the HMRC have stated that they will accept claims sent there until further notice.

## **Branch finance support team**

The branch finance support team is here to support branch and national support group treasurers to maintain and submit their accounts, respond to queries by phone and email, and provide face-to-face support through Treasurers' forums and pro forma workshops.

### **Branch finance support team**

[financesupport@mssociety.org.uk](mailto:financesupport@mssociety.org.uk)

Tel: 0208 438 0700 (Switchboard)

## **Your local staff member**

Your local staff member (LSDO or ADO) is here to work alongside you. If you need contact details for your local staff member, please contact the following people:

### **Development Team (Northern Ireland)**

[NIDevelopmentTeam@mssociety.org.uk](mailto:NIDevelopmentTeam@mssociety.org.uk)

Tel: 028 9080 2802

### **Volunteering Development Manager (Scotland)**

[vdm@mssocietyscotland.org.uk](mailto:vdm@mssocietyscotland.org.uk)

Tel: 0131 335 4074

### **Volunteering (England and Wales)**

[volunteering@mssociety.org.uk](mailto:volunteering@mssociety.org.uk)

Tel: 0208 438 0944

## **Other useful contacts**

### **Membership**

[membership@mssociety.org.uk](mailto:membership@mssociety.org.uk)

Tel: 0208 438 0759



## **MS Society offices**

### **MS National Centre**

372 Edgware Road, London, NW2 6ND

[info@mssociety.org.uk](mailto:info@mssociety.org.uk)

Tel: 0208 438 0700

### **MS Society Scotland**

Ratho Park, 88 Glasgow Road, Ratho Station, Newbridge, EH28 8PP

[enquiries@mssocietyscotland.org.uk](mailto:enquiries@mssocietyscotland.org.uk)

Tel: 0131 335 4050

### **MS Society Cymru**

Temple Court, Cathedral Road, Cardiff, CF11 9HA

[mscymru@mssociety.org.uk](mailto:mscymru@mssociety.org.uk)

Tel: 029 20 786 676

### **MS Society Northern Ireland**

The Resource Centre, 34 Annadale Avenue, Belfast, BT7 3JJ

[nireception@mssociety.org.uk](mailto:nireception@mssociety.org.uk)

Tel: 028 9080 2802

## **Multiple Sclerosis Society**

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