

Gift Aid - Your Questions Answered

1. What is Gift Aid ?

It is a method of allowing charities to increase their income by reclaiming any tax that you have already paid on your subscription or donation. MAAG, as a registered charity, can take advantage of this scheme.

It was introduced by the Government with effect from 6th April 2000 and replaces the complex Deeds of Covenant which many charities have used up to now.

2. What is a Gift Aid Declaration ?

It is a simple statement which you sign to allow MAAG to claim back any income tax you have already paid on your subscription or donation. **It is not a method of payment.** You still pay by cheque or cash in the usual way.

3. Why complete a Gift Aid Declaration?

Because if you are a taxpayer, you can increase the value of your subscription and any donations to MAAG by **over 20%, at no extra cost to you.**

4. Who qualifies to complete a Gift Aid Declaration ?

Anyone who is a UK taxpayer (i.e. pays any income tax or capital gains tax).

5. You do not need to pay a tax bill or fill in a tax return to be a taxpayer.

Tax deducted at source from pay, pension, building society or bank interest, dividends etc. counts. You only have to pay a tiny amount of tax to qualify - under £2 per year.

6. What's in it for MAAG ?

When you complete the Gift Aid Declaration, MAAG will receive **over £1 each year** (at current rates) from the Inland Revenue on an Individual Adult subscription of £4 **at no cost to you.** This should provide MAAG with additional income of around £50 per year.

7. What's in it for me ?

The increased income will help MAAG to keep your subscription rate down whilst maintaining quality, and if you pay tax at higher rates you can reclaim a further tax rate for yourself.

8. What if I stop paying tax altogether ?

Please inform the Hon. Treasurer, David Carder (details below), who will stop making claims.

9. Will I have to make entries on a Tax Return ?

Only if you fill in a Tax Return already. There is no extra tax to pay, and if you pay tax at higher rates you can reclaim a further tax rebate for yourself.

10. What paperwork do I have to complete ?

None - if you qualify, just sign and date the declaration overleaf when you join or renew your membership. **You only need to do this once, not every year,** but it doesn't matter if you sign more than one declaration - so if you can't remember whether you've signed previously, sign a new declaration and we'll sort it out for you.

11. Can I complete Gift Aid declarations to several different charities ?

Yes, provided that the amount of tax you pay covers the tax reclaimed on all of your donations or subscriptions. This is calculated as 28.2% (at current rates), so if your donations or subscriptions total £100 in any tax year (April 6th to April 5th), you would have to pay at least £28.20 in income or capital gains tax in that tax year.

12. What if I have any queries ?

Contact the Hon. Treasurer, David Carder, 53 The Ridgeway, Chatham ME4 6PB, **Tel:** 01634-849085 **email:** david_carder@talk21.com who will try to answer them.