GUIDE 3a: Gift Aid Declarations – Verbal and Email

(v1: May 2020)

Overview

This guide is for parishes needing to take gift aid declarations by email or verbally over the phone.

What is a Gift Aid Declaration?

A Gift Aid Declaration is the donor's declaration that they wish your church to reclaim tax on their donation. In making the declaration, the donor also confirms that they are a UK taxpayer and will pay as much or more income and/or capital gains tax in the tax-year than all the churches and charities to which they donate will reclaim in that tax year on their donations. All Gift Aid donations must be accompanied by a valid declaration; otherwise, your church cannot reclaim the tax from HMRC.

How can I collect Gift Aid Declarations when my church building is closed?

Aside from posting hard copy gift aid declaration forms to your donors, you can also ask donors to make gift aid declarations by email or verbally.

By email/online:

There are three options for donors to complete gift aid declarations online or by email. You should make your gift aid form available for download on your church website or A Church Near You page.

1. Donors can fill in your usual gift aid form online or if you email it to them (for example a word document or PDF form) and return it to you by email.
2. Donors can print out a gift aid declaration or receive a hard copy in the post. They then fill it in and sign by hand and then scan and send it back by email.
3. HMRC allow Gift Aid Declarations to be sent by email as long as they are in an approved form. An example is below and please note that it must include your first name, surname, first line of your home address and postcode. Here is suggested wording for donors to use:

Dear Treasurer/Gift Aid Secretary of St Mary's Church, Anytown,

Please treat as Gift Aid donations all qualifying gifts of money made from the date of this declaration and in the past four years. Yes, I am a UK taxpayer and I would like St Mary's Church, Anytown to treat all donations I have made for the four years prior to this tax year, today, and all donations I make from the date of this declaration as Gift Aid donations, until I notify you otherwise. I understand that if I pay less Income Tax and/or Capital Gains Tax than the amount of Gift Aid claimed on all my donations in that tax year it is my responsibility to pay any difference.

Full Name:

Address (including postcode):
Signed:
Date:

Verbally:

In some cases, it's easier for donors to provide a Gift Aid declaration verbally (e.g. when making a donation over the phone or by phoning a~~n~~ new donor who has set up a standing order). Others may not be able to complete a declaration due to a disability.

Once you have taken the declaration details down, you must fill in a Gift Aid declaration using the information they have given you and the date they spoke to you, so there is a clear audit trail. You must send a copy of this Gift Aid declaration (by email or post) to the donor so that they have a copy of their recorded intentions. A note should be included on the Gift Aid declaration telling the donor they are entitled to cancel the declaration within 30 days after the Gift Aid declaration is sent. The Gift Aid declaration is not valid until you send the copy. If they cancel the declaration it will be as though the Gift Aid declaration had never been given. It is good practice not to claim on donations covered by an oral Gift Aid declaration until 30 days after the letter is sent.

The letter should include the following information:
- The charity's name
- The donor's name (minimum first initial and surname)
- The donor's address including postcode
- The Gift Aid declaration statement:
- *Yes, I am a UK taxpayer and I would like St Mary's Church, Anytown to treat all donations I have made for the four years prior to this tax year, today, and all donations I make from the date of this declaration as Gift Aid donations, until I notify you otherwise. I understand that if I pay less Income Tax and/or Capital Gains Tax than the amount of Gift Aid claimed on all my donations in that tax year it is my responsibility to pay any difference.*
- A statement that they may cancel their Gift Aid declaration in writing within 30 days of the date of your letter
- The date on which the donor gave the oral declaration

General Information:

A declaration can cover a single one-off donation, in which case the date and the amount of the donation is usually included on the form.

A declaration can also apply to all future donations made by the donor to the church if the donor wishes. This is called an 'enduring declaration' and can be cancelled at any time. It is the obvious option for your regular donors so that they don't have to complete a new declaration every week or month. A declaration can be back-dated to apply to all donations made by the donor in the previous 4 years. This means you may be able to reclaim a significant sum of tax if you have any members of the congregation who are regular givers and taxpayers but have never yet Gift Aided their donations.

What do we do with the Declarations?

For declarations relating to one-off donations, you should keep them for 6 full calendar years after the end of the year in which the tax was reclaimed.

Enduring declarations which relate to 'all future donations' should be kept permanently (or at least until 6 years after the donor cancels the declaration or ceases to give).

If you are audited by HMRC (see separate Guidance note), you will need to be able to prove that for all donations on which you have reclaimed tax, there was a valid Declaration so it is vital to make sure declarations are valid and kept safely.