

Gift Aid

Maximising donations to fundraising organisations

Background

Gift Aid represents an important additional income stream, as fundraising organisations are able to increase the value of donations through tax and transitional relief.

Gift Aid reform is a key priority for the Institute of Fundraising and, following the HM Treasury, HMRC and the Cabinet Office consultation in 2007, the Institute continues to push for improvements to the system to maximise the benefit to fundraising organisations.

Higher Rate Tax

The Institute was delighted with the Government announcement about research into possible changes to Gift Aid for higher rate tax payers. This is exploring the likely effects of redirecting the higher rate element to fundraising organisations rather than donors.

After repeated calls for such changes, this is a clear sign that Government is seriously considering reform to Gift Aid for higher rate tax payers.

The Rt. Hon. Stephen Timms, the Financial Secretary, has been urged to ensure this research is completed for inclusion in the 2009 pre-budget report so that any financial outcomes can be announced in the 2010 Budget.

Parallel to the Government's research, Institute working group has drawn up proposals for a new Gift Aid system where charities can easily benefit from the full tax paid by higher rate donors.

Find out more and get involved with the campaign on our [Gift Aid and Higher Rate Tax page](#).



Opt-Out

The latest work in the Institute's campaign to maximise Gift Aid sees collaboration with key sector organisations to explore the possibility of an opt-out system.





Alongside conversations with HM Treasury and HMRC, the Institute is working with the Association of Chief Executives of Voluntary Organisations, Charities Aid Foundation, Charity Finance Directors' Group, Charity Tax Group and National Council for Voluntary Organisations.

Further information about how such a scheme would work is available on our [Gift Aid Opt-Out page](#).

Further Information

Practical guides, information sheets and templates are available on the [Tax-Effective Giving website](#). You can also quiz Gift Aid experts in our online forum at [GiftAidHelp.org](#).

Details of the 2007 Gift Aid consultation and the Institute's response are available by following the link below.

-  [Gift Aid: The Latest](#)
Recent developments in Gift Aid
-  [Gift Aid and Higher Rate Tax](#)
Campaigning for Gift Aid change
-  [Gift Aid Opt Out](#)
A new system for Gift Aid?
-  [The Future of Gift Aid](#)
Response to the HM Treasury, Cabinet Office and HM Revenue and Customs Consultation of Gift Aid - September 2007

Related Links

- [Tax-Effective Giving](#)
- [GiftAidHelp.org](#)
- [Contact the Policy Team](#)