

## Charitable Giving

### Gift Aid

1. Individuals are able to claim higher rate relief on cash gifts and payments to charities under gift aid. Basic rate tax is treated as having been deducted, so you must pay enough tax for the year to cover the tax withheld from your Gift Aid payment.
2. Special tax reliefs apply to gifts to charities of certain types of shares and securities, or land and buildings.
3. Self-assessment now allows individuals to divert some or all of any tax repayment due to them for the year to a charity of their choosing, and to opt for this to be treated as a Gift Aid payment, both via entries on the tax return.
4. Individuals also now have the option to make a claim for a charitable donation made in one tax year to be treated as if it had been made in the previous tax year, so long as the claim is made by inclusion on the Tax Return for the later year. Provided the later year's Return is filed in time, this would mean that a payment could rank for higher rate tax relief for the earlier year, even if the donor is liable at basic rate, only, in the tax year in which the payment is made.

### Give as you earn

1. Employees may authorise participating employers to deduct donations from their gross salary for forwarding to their nominated charities.
2. Employees receive tax relief in full on their donations.

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