

# WCRu3a Gift Aid Guidance

## 1. Document Purpose

This document is provided for guidance to all members of West Cheshire Rural u3a (WCRu3a).

West Cheshire Rural u3a (WCRu3a) became a registered charity in 2023, so we are able to claim the benefits of joining the Gift Aid scheme, which is open to all Members who are UK taxpayers.

Gift Aid is a UK government (HMRC) initiative that allows charities like us to claim 25p for every £1.00 donation we receive. Our Annual Membership Subscription Fee counts as a donation.

### What does this mean for Members?

- There's no extra cost to Members.
- Taking part in the Gift Aid Scheme is optional – Members choose.
- By participating in the Gift Aid Scheme, Members can significantly boost the value of their membership.
- Members can Opt Out of the Gift Aid Scheme at any time.

## 2. u3a Membership Subscription Fees

### 2.1. Basis of 'Gift' Status

Generally u3as that have a basic membership subscription and charge participating members for any groups or activities that incur costs (e.g. hall hire, transport, etc.) can consider ALL of the member's eligible Membership fees as a Donation (or Gift).

Gift Aid cannot be claimed on a Membership payment paid on behalf of someone else. This is because it's considered a gift to the person whose membership is being paid, not to the charity.

### Advisory Note:

The Third Age Trust's Financial Advice has always clearly stated that Gift Aid is only claimable on the basic membership subscription fee paid to the charity. Any part of the membership fee that could be considered to be payment in relation to a personal "benefit" should be excluded from the claim. This has been confirmed by correspondence received from HMRC (March 2021). Items in pursuit of the basic operation of the charity – monthly general meetings, newsletter (including TAM), etc. – are not considered "benefits".

### 2.2. Registering Interest in the Gift Aid Scheme

From April, 2024, new members can register interest in the Gift Aid Scheme by ticking the Opt-In box on the WCRu3a Application Form (available from the Membership Secretary or by downloading a Form from this website).

Existing members are asked to confirm their continuing participation in the Scheme as part of the Membership Renewal Invitation process which takes place each February/March.

Existing members wanting to opt-in or opt-out of the Scheme or to change any information on her/his Declaration Form, eg. a change of address, can do so at any time by contacting the Treasurer or the Membership Secretary.

**Note:** Members can send a message to any member of the WCRu3a Committee via the *Contacts* page on our website.

## 3. WCRu3a Charity Gift Aid Declaration Form

### 3.1. What is a Gift Aid Declaration Form (the Declaration)

It is a condition of Gift Aid that all WCRu3a members participating in the Scheme must be UK taxpayers in the year for which Gift Aid is being claimed. Completion of the Declaration is an

HMRC requirement and is a member's confirmation, amongst other details, of her/his UK taxpayer status. The Treasurer of WCRu3a is required to ensure Declarations are safely stored for 6 years.

**Note:** At present, Declarations by a member (donor) can only be made in writing, but it is our intention to introduce a digital version which can be completed and returned to the Treasurer online.

### 3.2. What Declaration Forms Include

HMRC has no set design for a Declaration Form (or a verbal declaration), but it must include:

- the name of your u3a
- the member's (donor's) full name, including all first names
- the donor's home address, including postcode
- whether the declaration covers past, present or future donations or just a single donation
- a statement that the donor wants Gift Aid to apply (this could be a tick box on a written or online declaration)
- an explanation that the donor needs to pay the same amount or more of UK Income Tax and/or Capital Gains Tax as all charities claiming on the donor's gifts in a tax year and that the donor is responsible to pay any difference
- a statement that the donor will notify WCRu3a of a change of name or address or if they no longer pay sufficient tax on their income.

### 3.3. Verbal Declaration

WCRu3a does not accept this form of Declaration (eg. over the phone) unless it is the only option available to a member.

#### **Advisory Note:**

When a member can only give her/his Gift Aid Declaration verbally (eg over the phone), the verbal Declaration must include the same information as hand-written or online declarations.

WCRu3a will send or give donors a written confirmation of a verbal declaration (this can be by email). This will include the same information as hand-written or online declarations. It will also tell the donor that s/he can cancel their declaration within 30 days of the date of the written confirmation.

### 3.4. Joint Declarations

WCRu3a must have a valid Declaration for every individual included in the Gift Aid claim.

**NB.** This includes one each from a husband and wife if both membership fees are received from a joint account.

### 3.5. Cancelled Declarations

A member (donor) can cancel her/his Declaration at any time, eg. because they no longer pay UK tax. Cancellation will not affect Gift Aid donations already made. Once a declaration has been cancelled, any further donations from that donor will not qualify.

The cancellation applies to the next u3a financial year (WCRu3a does not have to pro-rate the current/ previous year).

Members (donors) cannot cancel Declarations for one-off donations once they have been made (ie. 'gifted').

A donor can cancel a verbal declaration within 30 days of receiving a letter from WCRu3a confirming the Declaration.

WCRu3a will keep records of any cancelled Declarations, including the cancellation date.

## **4. Membership Fee Payment**

### **4.1. Joint Payments**

Where a single sum is submitted for 2 members' membership fees (eg. a couple) and is drawn on one member's account only, then just one claim may be made. Therefore, WCRu3a encourages members to pay individually.

4.2. Gift Aid cannot be claimed on a Membership payment paid on behalf of someone else. This is because it's considered a gift to the person whose membership is being paid, not to the charity.

4.3. If payment of 2 membership fees (eg. a husband & wife) is made as a single lump sum from the couple's joint bank account, both donations will qualify for Gift Aid if both members have each completed a valid Declaration Form. However, if only one party to the joint account has completed a Declaration Form, then only one membership fee qualifies for Gift Aid.

## **5. Records**

### **5.1. Keeping Records**

WCRu3a must keep records of all Gift Aid Declarations, whether they are written, online or verbal. This is to prove that each donor included in our claim has made a valid Declaration.

### **5.2. How Long to Keep Records**

WCRu3a must keep Declaration records for 6 years from the end of the accounting period they relate to. This overrides any GDPR policy requirements. If a member stops her/his donations, then the time limit applies from the date of the final donation.

**NB.** As HMRC reviews Declaration Forms regularly, WCRu3a will check their continuing validity & accuracy annually.

Last updated by WCRu3a Committee in March 2024

(Based on "U3a Gift Aid Guidance" last updated on 12.04.22)