

**DIOCESE OF SOUTHWARK**

**THE GIFT AID SCHEME**

**WHAT IF I AM A  
HIGHER RATE  
TAX PAYER?**



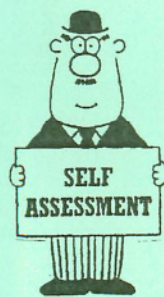
# THE GIFT AID SCHEME AND HIGHER RATE TAX PAYERS

First of all, remember that you **do not** have to be donating large amounts to take advantage of Gift Aid. Parishioners who are donating through Gift Aid are giving amounts ranging from 50p per week to £50 per week, according to their circumstances. Secondly, you do not have to be paying a large amount of Income Tax to be a Gift Aid donor. However many people do find themselves paying some of their Income Tax at the Higher Rates of 40% and 45%.

Although Charities can only claim back tax at the Basic Rate of 20% those people who are paying Income Tax at the Higher Rate of 40% or 45% are able to benefit from this by increasing their donations (under the Gift Aid Scheme) and the net result is that it will cost them no more.

See the table on the opposite page to see how increasing your donation if you are a higher rate tax payer can benefit your parish at no extra cost to you (compared to a basic rate taxpayer)

*Remember, that if you pay some of your tax at the Higher Rate of 40% or 45%, to gain the benefit against your personal tax liability, it is essential that you advise your Tax Office about your Gift Aid donations.*



## GENERAL INFORMATION ON U.K. INCOME TAX (TAX YEAR 2015 – 2016)

### INCOME TAX BANDS (20%, 40% and 45%)

	<b>£0 to £31,785</b>
Basic rate 20%	People with the standard Personal Allowance start paying this rate on income over £10,600
	<b>£31,786 to £150,000</b>
Higher rate 40%	People with the standard Personal Allowance start paying this rate on income over £42,385
Additional rate 45%	<b>Over £150,000</b>

<i><b>Your Donation of £100</b></i>	<b>You Donate</b>	<b>Gift Aid Refund claimed by Diocese</b>	<b>Diocese receives</b>	<b>Tax reclaimed by you (via self-assessment)</b>	<b>Total cost of your donation to you</b>
20% Tax payer	£100	£25.00	£125.00	£0.00	£100.00
40% Tax payer	£100	£25.00	£125.00	£25.00	£75.00
45% Tax payer	£100	£25.00	£125.00	£31.25	£68.75

<i><b>Increase your Donation</b></i>	<b>You Donate</b>	<b>Gift Aid Refund claimed by Diocese</b>	<b>Diocese receives</b>	<b>Tax reclaimed by you (via self-assessment)</b>	<b>Total cost of your donation to you</b>
20% Tax payer	£100	£25.00	£125.00	£0.00	£100.00
40% Tax payer	£134	£33.50	£167.50	£33.50	£100.50
45% Tax payer	£146	£36.50	£182.50	£45.63	£100.38

If you would like to take advantage of Gift Aid for your donations, or if you have any general queries about Gift Aid or wish to ask for further guidance on any matter relating to Gift Aid please contact your parish priest, your Parish Gift Aid Organiser or Mrs Julie Donnelly at the Office below :-

Gift Aid Office  
59 Westminster Bridge Road  
London  
SE1 7JE

Tel: 020 7960 2512 Fax: 020 7261 1460  
E-Mail:- [julie.donnelly@finance-rcdsouthwark.org](mailto:julie.donnelly@finance-rcdsouthwark.org)

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