



## ***Did you know...***

### **Registering for Gift Aid**

There are numerous tax and legal advantages in being registered with Her Majesty's Revenue and Customs (HMRC) such as reduced or exempted VAT, Capital Gains, and Income Tax obligations. Successful registration also gives your organisation the ability to claim Gift Aid. For the purposes of this briefing, we will only refer to Gift Aid. Please check with HMRC regarding the other benefits of being registered.

Charities can find out more by ringing the **Tax-Effective Giving Helpline on 0845 458 4586**.

#### **Rules of thumb about HMRC**

- ✓ HMRC recognises all charities registered with the Charity Commission.
- ✓ HMRC also recognises smaller charitable organisations and charities established by Act of Parliament.
- ✓ To take full advantage of the various legal and tax advantages assigned to charities you must register with HMRC.
- ✓ If your organisation is not registered with the Charity Commission, HMRC will require documentation to assess eligibility for Gift Aid and other advantages. (see below)

### **The Charity Commission and HMRC**

It is important to recognise that the Charities Commission and HMRC are two separate organisations, with differing mandates and benefits. To fully benefit from charitable status, your organisation should register with both where applicable (see below).

### **Registering with the Charity Commission**

Most charities in England and Wales are required to register with the Charity Commission. If you are already registered with the Charity Commission, you can apply to HMRC for a unique reference number, which will enable your organisation to take advantage of Gift Aid and other benefits to charities.

However, there are some organisations that do not need to register with the Charities Commission either by being exempt or falling within an exceptional category. These organisations may still be able to register with HMRC and take advantage of Gift Aid and other tax benefits.

If you want further information, or the Charity Commission Registration Information Pack, please telephone Charity Commission Direct: 0845 300 0218. The number for hearing and speech impaired callers using a minicom is: 0845 300 0219. Alternatively, all the information that you need is contained within the publication [CC21: Registering as a Charity](#) on the Charity Commission website.

## **Registering with HMRC**

Once you have determined your status with the Charity Commission, you will need to write to HMRC in order to benefit from tax-effective mechanisms. To do so, you must write to:

**Her Majesty's Revenue and Customs - Charities**  
**St John's House**  
**Merton Road, Bootle**  
**Liverpool**  
**L69 9BB**

If you are already a registered charity, then you only need to provide your full organisation name, address, and charity number.

If you are an exempt or excepted charity, you will need to provide your full organisation name, address, and:

- the signed and dated governing instrument
- details of activities, along with copies of any literature that explains its work, and:
- the date on which its accounting period will end (accounts should not be sent in support of the claim for charitable status. If accepted as a charity, accounts will be requested together with a tax return only when needed).

The Institute of Fundraising has created a template letter to help you determine what information you need to send to the HMRC in order to register. (see below)

Once you have done this, HMRC will contact you and ask you to nominate a signatory on the [\(ChN1\) form](#). HMRC will then send you the claim pack with guidance notes and forms [R68\(2000\)](#)/ [R68\(New Gift Aid\)](#) and issue your organisation with a unique reference number, which you must quote on all your Gift Aid claims.

Her Majesty's Revenue and  
Customs - Charities  
St John's House  
Merton Road, Bootle  
Liverpool  
L69 9BB

Dear HMRC,

We would like to register our organisation with HMRC to receive tax benefits.

Organisation Name			
Contact Name			
Address			
Post Code	Accounting period ends:	/	/

A. For registered charities in England and Wales

Our charity registration number is: \_\_\_\_\_

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B. Apply to be an 'exempt organisation' (Governed by an Act of Parliament) usually a place of worship

Name of parent organisation \_\_\_\_\_

Denomination (if applicable) \_\_\_\_\_

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C. Apply to become an 'excepted organisation'. Please find enclosed:

- A Governing Instrument, duly signed and dated
- A description and explanation of our work
- Copies of our literature

## NOTES

### A. For registered charities in England and Wales

In England and Wales, the Charity Commission has responsibility for the regulation of charities which are required to be registered under the Charities Act 1993. If a body is required to register with them, application should be made to them before contacting HMRC Charities. The telephone number for the Charity Commission is 0870 333 0123 and their website address is [www.charity-commission.gov.uk](http://www.charity-commission.gov.uk). The Charity Commission can also advise whether a body is required to register with them.

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### B. For exempt charities in England and Wales

These are charities that are not required to register with the Charities Commission, but do not have a governing instrument, as they are governed by an Act of Parliament. This is usually a place of worship, but can also include certain museums and heritage funds such as:

- The Trustees of the British Museum
  - The Trustees of the Natural History Museum
  - The Trustees of the National Heritage Memorial Fund
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### C. For non-registered organisations in England and Wales

For organisations established in England and Wales which are not required to register with the Charity Commission, and for organisations in Northern Ireland, applications for eligibility to claim the charitable tax exemptions should be made in writing and provide the following information:

- **the signed and dated governing instrument**
- **details of activities, along with copies of any literature that explains its work, and:**
- **the date on which its accounting period will end (accounts should not be sent in support of the claim for charitable status. If accepted as a charity, accounts will be requested together with a tax return only when needed).**

HMRC Charities will confirm that an organisation is a charity for tax purposes and so can claim the charitable tax exemptions provided the following conditions are fulfilled:

A charity is defined in the Taxes Act as "*any body of persons or trust established for charitable purposes only*". The word "*established*" has been held by the courts to mean established in the United Kingdom. Charitable organisations established outside the UK cannot take advantage of Gift Aid and the other giving schemes and reliefs.

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**For further information, please consult the following HMRC documents or call the HMRC Charities helpline on 0845 302 0203**

Chapter 2 – Applications for charitable status

[HM Revenue & Customs: Chapter 2 - Applications for Charitable Status](#)

Introduction to Gift Aid

[http://www.hmrc.gov.uk/charities/chapter\\_1.pdf](http://www.hmrc.gov.uk/charities/chapter_1.pdf)

Claiming Back Tax – Frequently Asked Questions

[http://www.hmrc.gov.uk/charities/faq\\_tax\\_back.htm](http://www.hmrc.gov.uk/charities/faq_tax_back.htm)

Section F: particular situations

<http://www.hmrc.gov.uk/charities/guidance-notes/chapter3/sectionf.htm>

### **About the Institute of Fundraising**

The [Institute of Fundraising](#) is the professional body for fundraisers, working to develop, promote and champion excellence in UK fundraising.

Committed to raising standards in fundraising practice and management, we engage with charities, Government, media, the general public and other bodies to positively influence the UK fundraising environment. We work to nurture the knowledge and standards of all those who undertake fundraising, offering an extensive range of training and networking opportunities.

The Institute represents over 4,200 fundraisers and 250 fundraising organisations, providing information and support services for Individual and Organisational members.

**For further information**, visit [www.institute-of-fundraising.org.uk](http://www.institute-of-fundraising.org.uk) or email [policy@institute-of-fundraising.org.uk](mailto:policy@institute-of-fundraising.org.uk)

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