



The Church of Scotland Stewardship and Finance

Gift Aid

It is all about to change – are you ready?

HM Revenue and Customs (HMRC) is about to introduce something called “Charities Online” and it means there will be some changes to how Gift Aid operates. This guide explains what you need to know and what you should do now to prepare for the introduction of the new service.

From 22 April 2013 charities can sign up to make Gift Aid claims electronically.

This should reduce claim times, prevent delays and save postage costs. The new service will have built in checks that will tell you about mistakes before the claim is submitted, reducing the need for claims to be sent back to be corrected.

The new system will tell you on screen that your claim has been successfully submitted and an e-mail will be sent when payment is made into your account. Payments will be sent within 15 working days if you claim online but they hope to make it faster.

There will be two main options for making claims, either claiming online or using a new paper form.

- 1. Claiming online** can be used for up to 1,000 donors by completing and attaching a spreadsheet to the online claim form. HMRC will publish the new schedule spreadsheets with explanations on how to use them within the next few weeks, along with details on how to sign up to use Charities Online and how to access, complete and attach the spreadsheets
- 2. New paper form:** If you do not have access to the internet a new paper form will be introduced called a ChR1. These are available from HMRC Charities Helpline (08453020203, 8am to 5pm Monday to Friday) from 25 March 2013. You will then need to complete the form and return it by post to HMRC. The form is designed so that HMRC can automatically scan the information into the new system, so payments can be made quicker. Old R68 forms or photocopies of the ChR1 will not be accepted because the new system will not be able to scan the information.

There will be no limit to the number of claims that can be submitted on the ChR1. Continuation sheets for the form (called ChR1CS) can be requested so you can send in the details of up to 90 Gift Aid donors with each individual claim.

The current forms will still be available until September 2013 if you need time to make these changes.

So what do you need to do now?

1. Tell the Kirk Session and Congregational Board

You need to make sure that everyone involved in the Gift Aid process, including trustees, are aware of the changes that will be introduced from April 2013.

2. Choose the best claiming option for you

From 22 April 2013, there will be two options for claiming repayments from HM Revenue & Customs (HMRC). Choose the right one for you.

3. Make sure you have the correct donor details

All claims will have to include the following minimum donor information that's already required on the valid donor Gift Aid declaration form. Unless it says otherwise, all the following information is required:

- title (optional)
- donor initials or first name
- donor surname
- donor's address; this should be the house name or number and the postcode but see below if you don't have the postcode or if the address is abroad
- date of donation
- value of donation

4. Put your donor details in the required order

When claiming using Charities Online, the donor details will need to be set out in a particular way so they can be entered into the HMRC system correctly. HMRC will be producing a template.

You'll need to enter your donor details in the following order:

- title
- donor initials or first name
- donor surname
- house name or number (or address where you don't have the postcode or address is abroad)
- postcode (where you have it for UK addresses only)
- date of last donation (where there is a series, like monthly standing order).
- total amount of donation claimed

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