

Gift Aid Small Donations Scheme: a practical guide

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Contents

About Stewardship	4
1 Introduction	5
1.1 Key points to be aware of	5
1.2 The basic scheme	5
2 Eligibility: the charity	6
2.1 Qualifying as a tax charity	6
2.2 Recent Gift Aid claims	7
3 Eligibility: the donation	9
3.1 Multiple donations	10
4 How much can be claimed?	11
4.1 Matching principle	11
4.2 Community buildings	12
4.3 Running charitable activities	12
4.4 Charities with community buildings – increased maximum annual donations limit	13
4.5 Relevant conditions	13
5 Record keeping	13
6 Time limit	14
7 Claims process	16
8 Connected charities	17
9 Further help	17
9.1 From Stewardship	17
9.2 From HMRC	17
Appendix 1: Unconnected Church GASDS Decision Flow Chart	18
Appendix 2: Simple Example	19
Appendix 3: More than One Community Building	20
Appendix 4: Pro Forma Offering Record Template	25

About Stewardship

Stewardship is here to help the Christian community in the UK to give and receive.

We help over 40,000 people to give generously and sacrificially to support the causes they love, and connect them in to a growing community of 4,000 churches, 6,000 charities and 2,800 individual partners creating positive change, and being responsible stewards, in Jesus' name.

For more than a century we have actively served those pioneering Christian mission. Together, we are driven by our desire that the wider world will encounter Jesus through the generosity of his people and the transformational work of the causes they support.

We call this **Active Generosity**.



Introduction

The Gift Aid Small Donations Scheme, perhaps better known as GASDS, has been with us since 6 April 2013. The Scheme has undergone a number of changes since inception. This paper considers the rules as at April 2021.

Although not Gift Aid, for most practical purposes the characteristics of GASDS are such that it looks and feels much like it. This paper is designed to be a practical guide written predominantly with churches in mind. It explains the main rules, covering the types of circumstances that most churches and charities operate in. A more comprehensive guide is available on our website and we would suggest that you reference this paper for a more comprehensive review of the scheme and where more detail is required than is provided in this guide.

1.1 Key points to be aware of

The central idea behind the scheme is quite straightforward, and for most churches making a successful claim will not prove too difficult. However, there are certain key points that must be adhered to so that claims remain valid and can be processed efficiently.

These are:

- The eligibility of the receiving charity (see section 2)
- The eligibility of the donation (see section 3)
- How much can be claimed (see section 4)
- The matching principle (see section 4.1)
- Community buildings (see section 4.2)
- Record keeping (see section 5)
- Time limits (see section 6)
- Claims process (see section 7)

Each of these areas is covered below, with a flow chart provided in Appendix 1, a simple case study in Appendix 2 and a couple of more comprehensive examples in Appendix 3.

1.2 The basic scheme

Charities are able to claim a top-up payment equivalent to Gift Aid on cash donations of £30 or less (subject to an overall limit per charity) without the need for the donor to complete any paperwork, or the requirement for the donor to be a taxpayer. This is good news for churches, meaning that most churches are able to claim up to an additional £2,000 p.a. from HMRC without the need for much additional work, relying largely on paperwork that will already be in place. Claims are limited to a basic allowance of £8,000 per charity per annum, resulting in a maximum top-up payment of £2,000 (£8,000 x 25% - whilst basic rate income tax is 20%) which can be received by the charity each tax year. Section 4 shows the calculation in more detail.

In certain cases, where charities operate from community buildings (see section 4.2), the limit may be higher. However, there is also a matching principle (see section 4.1) which may in some

cases restrict what may be claimed, but is only really likely to apply to smaller churches. GASDS Claims are made alongside Gift Aid claims using the Charities Online template provided by HMRC. An individual donation can only be eligible for one type of claim. It is either eligible under Gift Aid or the GASDS but not both. Donations that are eligible for Gift Aid cannot be eligible under the GASDS.



Action Point

Because limits apply for the GASDS and because of the matching principle (see 4.1), it is sensible that wherever possible churches seek to bring cash donations within a Gift Aid claim (using numbered envelopes or other schemes to identify donors as required), rather than relying on using the GASDS. The benefit of encouraging donors to give under the Gift Aid scheme can be clearly seen in the following example:



Example

Church A receives £8,800 in a tax year in eligible cash donations. They have not claimed anything under the Gift Aid scheme. The church is unable to claim either under Gift Aid (as they have not met the Gift Aid rules), or the GASDS (as they fall foul of the matching principle). However, in the event that the church contacts some of its donors (providing donations of at least £800) who agree to make Gift Aid declarations to cover donations already given in that tax year, the church having now received Gift Aid donations of £800, can also claim for small cash donations of £8,000.

Although the total amount received by the church is the same, the church can now make claims on all of its donations; £800 under the Gift Aid scheme, and £8,000 under the GASDS because the matching principle (see section 4.1) allows for a GASDS claim of ten times that of the Gift Aid claim for donations received in the same tax year.

Eligibility: the charity

To be eligible to submit a claim under the GASDS; a charity must not have received a penalty under Schedule 24 of the Finance Act 2007 or under the GASDS Regulations in the year of claim or the preceding year. Newly formed churches (including churches converting to another legal structure (for example, from a charitable trust to a Charitable Incorporated Organisation) and church plants which are charities in their own right are eligible for GASDS from the outset provided that they meet the other criteria of the Scheme.

2.1 Qualifying as a tax charity

The charity is required to be recognised by HMRC as a charity for tax purposes. [Application for recognition](#) can be made online.

Acceptance by HMRC as a 'tax charity' is not the same as registration with the relevant charity regulator (such as the Charity Commission in England and Wales, the Office of the Scottish Charity Regulator, or the Charity Commission for Northern Ireland). If a charity is required by charity law to be registered with a charity regulator, HMRC will require this registration to have been completed before they themselves will accept an application from the charity to be recognised for tax purposes.

Some churches do not need to be registered with the Charity Commission in England and Wales, because they are 'excepted' from registration for the time being¹. HMRC do not require churches in this category to register with the Charity Commission.



Action Point

If your church or charity does not make or receive Gift Aid claims, then you should investigate whether you are indeed registered with HMRC at all. If not, registration is essential should you wish to make GASDS claims and probably advisable even if this is not the case.

The good news is that the HMRC will backdate 'tax charity' status to the time that the charity first fulfilled all of their requirements (provided that the charity's trustees have taken all reasonable steps to meet those requirements). Whilst you cannot apply to HMRC for recognition until you have registered, where required, with the charities regulator, HMRC should be prepared to backdate tax charity status to the formation of the charity. This is so long as there have been no material changes to the charity's governing document between formation and registration.

¹ A **temporary** exception from registration for **some** churches in England and Wales is provided by The Charities (Exception from Registration) Regulations 1996, as amended. There is no 'exception from registration' in Scotland or Northern Ireland.

2.2 Recent Gift Aid claims

To make a claim under the GASDS, the charity will also need to *receive* Gift Aid donations *in the same tax year*. The total of eligible donations on which the charity can claim a GASDS top up payment is restricted to an amount equal to ten times the amount of the net donations received and on which Gift Aid has been successfully claimed.



Action Point

Churches should make regular Gift Aid claims (at least once a year) to aid cash flow, and provide a basis for “matching” Gift Aid and GASDS cash donations.

Eligibility: the donation

For a donation to be eligible for the Scheme it must be:

- Made by an individual;
- Made in the UK;
- Made in cash or as a contactless donation² from a card, mobile phone or other device;
- £30 or less (this includes notes and coins of any currency);
- Deposited into an account kept by or on behalf of the charity at a UK bank or financial institution;
- Used for charitable purposes.

There must be no benefits received by the individual who makes the donation, or a person connected with them, in consequence of making the donation unless they are of negligible value (for example, a lapel sticker designed to acknowledge the making of a donation). The Gift Aid 'de-minimis' benefits rules do not apply to GASDS donations.

To qualify, the gift must be one for which no Gift Aid declaration has been received, regardless of whether a Gift Aid claim is made or not. For most loose cash offerings this is unlikely to be a problem as it is normally not possible to identify the donor and gifts will, as a result, remain anonymous.



Action Points

1. Offering sheets should be completed for each location where the church meets, clearly recording non Gift Aided cash donations (see Appendix 4). These sheets should be retained to support any claims made.
2. All cash donations received should be banked intact with a UK financial institution before any expenses are paid out. Expenses should be settled subsequently from the church's accounts.
3. Clear procedures should be put in place ensuring that those counting the offering are aware of the £30 donation limit providing guidance identifying where it is likely that the £30 limit might have been exceeded (e.g. notes folded together etc.).

² Cash refers only to notes and coins and specifically excludes cheques. A 'contactless donation' means a donation made at a contactless payment terminal using the contactless facility of a card, mobile telephone or other device. It therefore excludes other forms of card payment such as an online donation.

3.1 Multiple donations

During the Covid-19 pandemic and the closure of physical church meetings, we asked HMRC if they would relax the £30 per donation requirement where church members had saved their cash donations each week in circumstances where individual donations would have qualified under GASDS but, if given in one sum when their churches re-opened, would not meet the £30 test.

HMRC says that churches should take a common sense approach. For example, if A attends church regularly and puts £10 per week in an envelope in the offering and after a period of lockdown period puts £10 x the number of weeks in lockdown in an envelope, this is likely to amount to a series of small cash donations rather than a lump sum donation. This is especially so if the church member notes this on the envelope. It will fall within GASDS. On the other hand, if B only attends church at the annual Christmas Day service and puts £50 in an envelope in the offering, this would not qualify for GASDS. HMRC recognises that it cannot police these matters and therefore expects church treasurers and trustees to take a reasonable and responsible approach.

Whilst this advice was given in the context of the Covid-19 pandemic, it applies equally to other situations such as when a member returns from holiday or is working away from home for a period of weeks.

4 How much can be claimed?

The basic calculations for GASDS claims work in the same way as for Gift Aid. Under Gift Aid, if a donor makes a net donation of £1, the charity is entitled to reclaim 25p of Gift Aid relief. This is because the £1 donation is made net of basic rate tax (which is currently at the rate of 20%):

£1 net donation + 25p tax = £1.25 gross donation. 20% basic rate tax on £1.25 = 25p

In similar manner, for each £1 of small donation on which a charity can claim a top-up payment under the GASDS, the charity will receive 25p in top-up. This will remain the case as long as the basic rate of income tax remains at 20%. If the basic rate of income tax changes, the rate of the top-up will change accordingly.

Other than the amount of donations themselves, there are three factors which work together to determine the size of claim that can be made.

- **The ‘basic’ maximum amount of donations that GASDS can be claimed on**
This is currently set at £8,000 p.a. (worth £2,000 to a church in top-up payments) and covers small eligible cash (or contactless) donations collected from an individual anywhere in the UK.
- **The Gift Aid matching principle** (see 4.1 below).
- **The use of ‘community buildings’** (see 4.2ff below).
Where a church has two or more ‘community buildings’, the £8,000 basic maximum may be increased as described below.

4.1 Matching principle

The maximum amount of the GASDS top up that a charity can claim is limited to ten times the amount of Gift Aid claimed on donations made in that same tax year under the Gift Aid scheme. So in order to be able to claim top-up on the full £8,000 under the GASDS, your church would have to be claiming Gift Aid on donations made during the same tax year of at least £800 (£8,000/10).

It does not matter if the Gift Aid claim itself is delayed, provided that the claim is made to HMRC before the GASDS two year time limit expires; it is the donation date that is important. For most churches that make use of Gift Aid, this restriction is unlikely to become an issue. However, be aware of the time limits for making a claim (see section 5) as the rules for Gift Aid and GASDS are different.

4.2 Community buildings

For any charity with less than two community buildings the maximum donation limit is £8,000 of eligible donations in any tax year collected anywhere in the UK and the following paragraphs on the subject can safely be ignored.

For other charities, a building is classified as a 'community building' under GASDS if the charity is **running charitable activities** (Paragraph 4.3) in the building which:

- The public have access to at some or all times
- Is not used wholly or mainly for residential purposes, or the sale of goods or services
- Is not used for commercial purposes.

The charity does not need to own a building for it to qualify; rented space is also eligible. In certain cases where the charity has exclusive use of a commercial building or a segregated part of it (for its charitable purposes), the building may still qualify. An example here would be the hire of part of a local sports centre or cinema complex for Sunday services.

Meetings in private homes or in cafes, where there is no exclusive use or where café sales are made, will not qualify. But if the church has a qualifying community building in the same Local Authority area as these venues, eligible donations can be claimed as part of the Local Authority area boundary extension. They will not qualify directly because residential premises and those used primarily for the sale of goods cannot qualify as community buildings other than as set out above.

Where a church holds a freehold or leasehold interest in land on which more than one building is erected, most typically a church hall next to another church building, all buildings will be treated as if they are one, and one community building limit will cover them all.

For more detail on GASDS and 'community buildings', please refer to Section 5 of our comprehensive Gift Aid Small Donations Scheme Briefing Paper available on our [website](#). That paper goes into greater technical detail and provides a number of practical examples.

4.3 'Running charitable activities'

The phrase '**running charitable activities**' is defined strictly defined in the law.

A charity 'runs' charitable activities in their community building, for the purposes of the law, if on 6 or more occasions in the tax year (6 April to 5 April):

- It carries out an activity within its charitable purposes with **a group** of people, at least 10 of whom are beneficiaries of the charity;
- The activity or activities are not primarily for the purposes of fundraising;
- The charity makes the activity available to the public or a section³ of the public;
- None of the group is required to pay to access the building or the relevant part of it in which the activity is carried out.

³ Although the law does not use the phrase *a sufficient section* of the public, this can be inferred since this is a requirement if the activity is to be charitable (by providing 'public benefit').

4.4 Charities with community buildings – increased maximum annual donations limit

Where a charity operates from more than one community building, it has a choice. It can either claim:

- Up to £8,000 of eligible small donations per community building⁴; or if more
- A single allowance of £8,000 per charity for eligible small donations collected anywhere in the UK.

Community building limits operate on a building by building basis and donations received in one building cannot be “passed across” to another community building which may still have some unused capacity. However, where a charity has two or more community buildings in the same Local Authority Area, and receives donations in that area (but outside of the community buildings themselves) the charity can choose which community building it allocates those donations to, thereby allowing the charity to make the best use of the allowance for each building.

It is hard to see many situations in which a church might be better off opting for the single £8,000 allowance, but see the examples in appendix 3.

4.5 Relevant conditions

Once the basic requirement for community buildings is satisfied, there are other conditions which may apply for very small or infrequent meetings or for unusual events such as ticketed performances. For full details on these conditions, please refer to section 5 of our more comprehensive guide available on our [website](#).

⁴ Donations which can be included in a community building claim include those donations made anywhere in the same Local Authority Area in which the building resides. In England this will normally be a district council or a London borough; in Wales a county council or county borough council; in Scotland a council constituted under S3 of the Local Government (Scotland) Act 1994; in Northern Ireland a district council constituted under S1 of the Local Government Act (Northern Ireland) 1972.

5 Record keeping

Churches should keep good records so as to easily confirm and evidence:

- The guidelines provided to those people counting or administrating cash donations.
- The numbers of people attending services and other charitable activities in cases where numbers in some community buildings may be close to the minimum of 10.
- The eligible cash donations collected.
- The date that those donations were received.
- That the donations have been banked in a UK bank or building society and the date banked.
- Contactless donations, for example receipts from your card machine.
- The address of the community building in which the donation was received.

For donations received outside of a community building:

- The location (including postcode) where the donations were received should be recorded. This is important so as to demonstrate that the donations were actually received in the relevant Local Authority Area.

Appendix 4 provides an Offering Record Template that can be used for this purpose.

Time limit

Any claim will be made using the same form as that used to make full Gift Aid claims. This will be done by completing a single online form for both Gift Aid and the GASDS. Template forms are available from the HMRC website.



Action Point

Waiting for the church's financial year to be completed and signed off may mean that there is little time to complete the GASDS claim. Completing an interim Gift Aid claim including a GASDS top up will help to ease the pressure at the end of the year.

Because of the matching rule (Paragraph 4.1), sufficient Gift Aid claims should be made within two years of the end of the tax year of donation, to support the related GASDS claims, notwithstanding the Gift Aid claim time limit of four years.

Claims process

GASDS is claimed as part of a church or charity's Gift Aid claim using [Charities Online](#), making use of a template to record individual gifts and donations.

Claims can be made:

Using [eligible software](#)

A [spreadsheet of donations](#)

Where there are more than 1,000 donations (under Gift Aid), software must be used.

Exceptionally, a paper based claim on form ChR1 can be used but the form must be requested from the [HMRC charities helpline](#).

Where the template is used, eligible small donations will be included on a separate line from Gift Aid donations or submitted as a separate claim. Where a claim relates to a community building, each building must be entered separately giving both the address of the building and the amount collected within it.



Connected charities

There are special rules that apply to connected charities. Charities are connected if at any time during the tax year the same person (or connected persons) has control over them and the charities have the same or very similar purpose.

As we do not see this applying to many churches, we have not covered this scenario in any detail in this paper, but have covered it within the more comprehensive guide available on our [website](#).



Further help

9.1 From Stewardship

Any questions arising from this Briefing Paper should be addressed to Kevin Russell, Technical and Advocacy Director at Stewardship at kevin.russell@stewardship.org.uk. For more detailed help and advice, Stewardship runs a Consultancy Helpline service. Details can be found by visiting stewardship.org.uk/support-services.

Stewardship may be able to help you with your charity registration process. Please visit stewardship.org.uk/support-services.

9.2 From HMRC

HMRC have published their own detailed [Guidance Notes](#).

Appendix 1

Unconnected church GASDS decision flow chart



Appendix 2



Scenario

Church M is a very small established church constituted under deed of trust with a year end of 5 April (the same as the tax year end). It has made annual Gift Aid claims for the last five years. It meets in its own building with a regular congregation of about seventy people.

Annual net gifts claimed under Gift Aid amount to approximately £2,000 p.a. and loose cash in the offering for year ended 5 April 2022 was £2,171 in notes and coins, including four £50 notes. No other cash gifts were received and all offerings are banked each week into a UK bank. The church seeks to maximise the amount of top-up repayment that it can claim under the GASDS.

Calculation process

Step 1: HMRC registration

The church is already recognised by HMRC as a tax charity (as it is already making Gift Aid claims).

Step 2: Eligibility of donations

All the donated cash (notes and coins) is received in the in UK and is banked into an account at a UK financial institution, but as there are four £50 notes (exceeding the maximum individual donation limit of £30), these cannot be included in a GASDS claim.

Step 3: Calculation

The charity has less than two community buildings. The maximum claim is therefore limited to donations of up to £8,000 in the tax year. The total claim is therefore £2,171 less £200 (4 x £50) = £1,971.

Step 4: The matching principle

The matching principle means that in order to be able to reclaim the top-up in full, Gift Aid donations received in the same tax year must be at least one tenth of the claim under GASDS. With net gifts on which Gift Aid is claimed running at an average £2,000 per annum, this will not restrict the claim. $£2,000 \times 10 = £20,000$ far in excess of the claim of £1,971.

Step 5: Time limits and claim

All claims under GASDS must be made within two years of the end of the tax year in which the donation was collected. For donations received during the 2021/22 tax year, the deadline for a claim is 5 April 2024.

Appendix 3: More than one community building

Church C has two congregations (each numbering around 100 people) meeting in different venues in the town. The church encourages its congregation to make donations via direct debit and under Gift Aid and as such cash offerings in building 1 amounted to £1,250 for the tax year 2021/22 and £2,200 in building 2. All cash offerings are banked, and the church is not aware of any ineligible gifts within the cash received. It also claims Gift Aid on donations received in 2021/22 of £20,000.

During the year, the church choir sung at a number of shopping centres in the county and received small cash donations of £4,750. Of this, £3,750 was received from events held within the same Local Authority Area as the buildings in which the church meets, with the remainder collected from events further afield and in another Local Authority Area.

Calculation process

Step 1: HMRC registration

The church is already recognised by HMRC as a tax charity (as it is already making Gift Aid claims).

Step 2: Eligibility of donations

All the donated cash (notes and coins) is received in the in UK and is banked into an account at UK financial institution. All donations appear to be eligible under the Scheme.

Step 3: The matching principle

Church C will not be restricted by the Gift Aid matching rule as it has received donations under the Gift Aid scheme of £20,000.

Step 4: Calculation

As the church operates out of more than one community building, it does have a decision to make. It can either claim a maximum of £8,000 per community building, or opt for the single allowance of £8,000 for all eligible donations collected anywhere in the UK.

a) Community Buildings claim

If the church opts for the community building route, then it will be able to claim the £1,250 and £2,200 donated in each building and can add to that the £3,750 received from the choir events held within the Local Authority Area. This means that in total a

top-up repayment can be claimed on donations of £7,200, making a total top-up repayment of £1,800 (£7,200 x 0.25).

b) Single allowance route

If the church opts for the single 'basic' allowance, it could include donations received from outside the Local Authority area (so long as they are received in the UK) and so its only limitation would be the £8,000 allowance. Total donations received in the UK amount to £8,200. So, church C can claim £2,000 (£8,000 x 0.25).

By choosing the single 'basic' allowance option, church C could claim an extra £200 in GASDS repayment top-up. However, we would only imagine this type of situation would apply very rarely, and as such would normally expect the community buildings route to be the preferred route in almost all cases.

It is possible to decide on a tax year by tax year basis which of these routes is chosen, with a different choice being made from one year to the next.

Comprehensive example

Church N has been in existence for ten years and has been registered with HMRC as a tax charity making regular quarterly Gift Aid claims for six years. They are formed as a company which has a 31 December year end. The church meets in four locations. Its primary location is a building that it owns outright and is used for its larger family service gatherings supported by evening meetings in the adjacent church hall. It also has two local congregational plants in the town.

The first of these plants rents a school hall in a different Local Authority area from the church and is well established with an average congregation of around sixty attending each week. The second is a newer plant which meets on a monthly basis in a local café in the same Local Authority area as the church. Attendances at the café congregation vary sometimes as low as eight to ten people, at other times as high as 20 to 30. This plant started in September 2020 meeting on the last Sunday of the month. During the period between 1 Jan 2021 and 31 March 2022 the church claimed Gift Aid as follows on donations received in each quarter as follows:

Period	Total Gift Aid donation claims
3 months to 31 March 2021:	£725 claimed on net gifts of £2,900
3 months to 30 June 2021:	£645 claimed on net gifts of £2,580
3 months to 30 September 2021:	£983 claimed on net gifts of £3,932
3 months to 31 December 2021:	£441 claimed on net gifts of £1,764
3 months to 31 March 2022:	£266 claimed on net gifts of £1,064

The amounts claimed under Gift Aid are made up of donations by cheque, by bankers' standing order and cash gifts made using the church's Gift Aid envelope offering scheme.

During that same period, the church also received the following cash donations, all in notes and coins of £30 or less:

Period	Main building	Church hall	School	Café
3 months to 31 March 2021	£1,536	£126	£189	£62
3 months to 30 June 2021	£1,849	£245	£238	£87
3 months to 30 September 2021	£2,236	£97	£177	£58
3 months to 31 December 2021	£2,424	£215	£345	£65
3 months to 31 March 2022	£2,199	£147	£296	£40

Of the amount donated in the school, £100 per quarter is used to reimburse someone for buying refreshments. This money is taken directly out of the offerings before they are banked. All other donations are banked in full into a UK financial institution. The church seeks to maximise the amount of top-up repayment that it can claim under the GASDS.

Calculation process

Step 1: HMRC registration

The church is already recognised by HMRC as a tax charity (as it is already making Gift Aid claims).

Step 2: Eligibility of donations

- All the donated cash is received from individuals and in the UK, in notes and coins of £30 or less with no obvious donations exceeding the £30 limit.
- However, some money from the meetings at the school is never banked (being used to reimburse expenses) and as such must be excluded from any claim. This excluded amount is £100 per quarter or £400 for the tax year in total.

Step 3: Calculation

- The church meets in two or more community buildings and so has to make a decision on whether to claim an amount for each community building or whether to claim a single, basic, allowance of £8,000 in donations for the charity as a whole.

Although the café is highly unlikely to be a community building in its own right (see below), the donations received in it may be able to be added to one of the community buildings which the church operates from so long as these buildings are located in the same Local Authority Area as the café.

- Because the main building and the church hall are on the same premises, they are treated as a single building for the purposes of the GASDS.
- The school qualifies as a community building, passing the necessary criteria.
- The café is unlikely to qualify as a community building because:
 - a) any non-exclusive use by the church, or the sale or supply of goods and services during services will disqualify it; and
 - b) the number of meetings held, and the number of people attending those meetings may not be sufficient to meet the necessary minimum requirements.

For churches where it is unclear whether the minimum meeting requirements are met, a log should be maintained of the number of attendees and the amount of cash donated at each meeting (the pro forma offering record sheet contained in Appendix 4 can be used for this purpose). Remember, any cash donated at a meeting in a building that has not qualified as a community building can only be claimed if collected within the Local Authority area of another building that does qualify.

The maximum potential claim for church N under the Scheme is therefore the greater of £8,000 donated anywhere in the UK, or £8,000 per community building (this church operates from two, the church and church hall combined, and the school).

Given that no donations were received from outside the Local Authority Area, the community building option will provide the best outcome within the following limitations:

- £8,000 for donations received in the main building and the church hall combined plus donations received outside of the building but within the same Local Authority area.
- £8,000 for donations received in the school plus donations received outside of the building but within the same Local Authority area.
- The church concludes that the café does not qualify as a community building in its own right.

However, because the café is situated in the same Local Authority area as the church, donations can be added to those received in the church (combined church and church hall) up to a maximum of £8,000 per tax year. This makes a total potential claim of £16,000.

- As the café is not a community building in its own right, donations received there can only be claimed if they can be added to a community building in the same Local Authority area and if there is sufficient capacity. Because the school is situated in a different Local Authority Area to the café, donations received in the café can't be

added to that even though there may be capacity. For the tax year 2021/22, donations received in the café amounted to £250.

- Donations received in the main church building and church hall combined during the tax year 2021/22 were £9,412. As this exceeds the maximum amount per community building, this part of the claim is restricted to the maximum of £8,000.
- As there is no remaining capacity for the church and church hall, the donations received in the café although situated in the same Local Authority area cannot be added to it.
- Donations received at meetings in the school amounted to £1,056, well inside the £8,000 limit. However, £400 of this amount was never banked into a UK financial institution and as such the total claim for that building is limited to £656.

Although it would be nice to ‘transfer’ the excess cash donations collected from the main building to the school so as to utilise the unused allowance from donations collected at the school, this is not permitted by the Scheme. Similarly because the café is in a different Local Authority area to the school, the donations collected in the café can’t be added to those received in the school.

So the total cash (subject to the matching principle) that can be claimed for the tax year 2021/22 is £8,000 from the church building plus £656 from the meetings in the school = £8,656.

Step 4: The matching principle

The matching principle means that in order to be able to reclaim the top-up in full, Gift Aid donations received in the same tax year must be at least one tenth of the claim under GASDS. The maximum GASDS claim calculated in step 4 is £8,656 so, in order to claim the whole amount, net gifts on which Gift Aid has been claimed must be at least £866. With net gifts made during the 2021/22 tax year of £9,340, the matching principle will not restrict the claim.

Step 5: Time limits and claim

All claims under the GASDS must be made within two years of the end of the tax year in which the donation was collected. This is the case regardless of the way that the church is constituted. In this case that means that money donated up to 5 April 2021 can only be reclaimed until 5 April 2023. Donations received in the year to 5 April 2022 can be claimed for until 5 April 2024. This is so even though the donations that form this claim will be included in the church’s accounts drawn up for the year ended 31 December 2021, and for the year ended 31 December 2022.

Appendix 4: Pro Forma Offering Record

[Enter name of church here] – offering record template

Meeting location: [Insert details of building location here]

Number of attendees (estimated):

Date:

	Gift Aided	Non Gift Aid Ineligible for GASDS	Non Gift Aid Eligible for GASDS
	Not eligible for GASDS	Individual cash gifts greater than £30 and cheques	Individual cash gifts, each up to £30
	(A)	(B)	(C)
Cash:			
£50			
£20			
£10			
£5			
£2			
£1			
50p, 20p, 10p, 5p			
2p, 1p			
Total cash (1):			
Cheques (total) (2): List overleaf (if required)			
Total offering (1)+(2):			

Col (A) + Col (B):

Less: Cash retained for church expenditure:

GASDS eligible cash donations:

Offering paid into bank:

Must be banked to claim GASDS

Cheques - detail	Gift Aided	Non Gift Aid Ineligible for GASDS
Donor:	(A)	(B)
[Insert donor name 1]	[Insert amount]	
[Insert donor name 2]	[Insert amount]	
[Insert donor name 3]		[Insert amount]
etc.		
Cheques total - Insert overleaf at (2):		

Counted by:

Count checked by:

Signed:

Countersigned:

Please note: all envelopes to be opened with contents recorded in the appropriate column. Where such gifts qualify for Gift Aid, the envelope should be retained with the amount of the offering clearly recorded.