

Charities Online - Information Sheet

Background

In 2011 the Chancellor announced that HM Revenue and Customs (HMRC) would introduce online filing of Gift Aid for charities and Community Amateur Sports Clubs (CASCS). We are developing this system and in 2013/14 HMRC will launch a new online service for charities and CASCS, called "Charities Online".

Charities Online will be a fast and easy way for your organisation to claim Gift Aid or Gift Aid Small Donation Scheme payments using an online process. Charities Online will also introduce new intelligent forms (i-Forms) to replace the existing charity application, CASC registration and variation forms.

The planned launch date is April 2013. We will confirm this date with you as soon as possible.

Charities Online – Making Claims

The current Gift Aid repayment form (R68(i)) will be replaced by three new options for charities and CASCS to claim Gift Aid repayments, tax relief on other income and Gift Aid Small Donations Scheme payments. These are:

- **An online claim form** – best suited for those who make a small number of claims or claims where they regularly list up to a maximum of 1,000 donations.
- **An online externally developed software route** – best suited for those who either use software purchased from a commercial software supplier or use IT products developed in-house to produce their Gift Aid claims.
- **A paper claim form** – for those without Internet access.

These three options are set out in more detail below.

Online claim form

An online form will be available through the HMRC website. It will operate in a similar way to the Self Assessment Online forms which you may be familiar with. Charities Online will allow you to attach donor information to your online claim from a separate spreadsheet. In each claim you will be able to submit up to 1,000 Gift Aid donations and there is no limit on how many claims can be made in a day.

A downloadable spreadsheet template will be available through HMRC's website from April. This spreadsheet is compatible with a wide range of spreadsheet programmes and can be saved in ODF (Open Document Format). As the spreadsheets are designed to be saved on your own computer you can also use it to keep track of your donations. There are also separate spreadsheets that will allow you to claim tax relief on other income and payments under the Gift Aid Small Donations Scheme. Alternatively, you will be able to cut and paste information from other spreadsheets into the ODF spreadsheet when you make an online claim.

We believe the new online form will offer a simple and easy way to claim if you are a charity or CASC who makes a small number of claims or who regularly make claims of up to 1,000 Gift Aid donations per claim.

Externally developed online software route

An online route for those who use commercially supplied software or software developed in-house will be available. This is best suited to charities who make large value claims or a large number of claims. This will allow you to use your own software application on your own computer to submit large claims. By using this route you will be able to list up to 500,000 Gift Aid donation details in any one day.

For those who already use a commercial software supplier, such as a CRM (Customer Relationship Management) database, to produce their Gift Aid claims, you should check that your supplier is planning to update their software to work with the new external software filing system. You should ask your supplier about any further actions required by your charity in readiness for the change.

HMRC has contacted many charity software providers and believe that most suppliers will be keen to provide this service. Suppliers will need to update their software to enable it to work with the new online system and to record information about the new Gift Aid Small Donations Scheme. They will need to provide this as part of their overall charities package.

For charities and CASCs whose IT products are produced in-house, we would recommend their IT teams study the "Tech Pack" on the HMRC Charities internet site. This gives the technical specification that must be followed to make claims through the external software route. This is available at: www.hmrc.gov.uk/softwaredevelopers/gift-aid-repayments.htm

Commercial software developers may decide to produce a range of products that will allow claims to be filed through the external software route, some of which may not be integrated with a full CRM package. Charities and CASCs should consider if it would be preferable to use one of those packages rather than using a fully integrated package.

As part of the IT technical services that HMRC provides, there is an HMRC Software Developer Support Team that will be happy to answer any technical questions and provide development support to in-house IT developers. See www.hmrc.gov.uk/softwaredevelopers/index.htm for further details.

Registering to use Charities Online

Please note that, in order to use either the Online Claim form or externally developed software route charities and CASCs will need to register with the Government Gateway if they have not done so already (for example for Self Assessment or PAYE). We will provide more information on this in the New Year.

Paper form

Charities Online will be a fast and easy way to make claims. For those who cannot access the internet, a new paper repayment claim form, called a ChR1 will be available. This will allow charities or CASCs to continue to complete Gift Aid claims by hand. For each paper claim you will be able to list the details of up to 90 Gift Aid donations and there will be no limit to the number of claims that can be submitted. There are also sections on the paper form to claim tax relief on other income and payments under the Gift Aid Small Donations Scheme.

The information in the new paper form will need to be completed by hand so that the form can be automatically scanned into HMRC's system when it is received. You will not be able to use the existing R68(i) form or use photocopies of the new paper form as HMRC will not be able to scan them into its system. You will be able to obtain these new paper forms direct from HMRC in April 2013.

Charities Online – What you need to do now

Charities Online will change the way in which you make a claim and it will also require all charities and CASCs to supply HMRC with the minimum donor information you collect as part of a valid Gift Aid Declaration. This information will need to be provided in a set format as set out on the next page.

While we will require you to submit more information to support a repayment claim it is information you will already hold on a valid Gift Aid Declaration and this change will have no impact on your donors. It is important to note that each of the three repayment options requires

exactly the same level of information on donations.

We recognise that you may not have this information in an electronic format or where you do, this information may not be in the right order or format. We understand that it will take time for you to amend your systems. This is why we are communicating this change now before the system goes live as it is important that you start thinking about what these changes mean for you.

Donor information & required format from April 2013

Required field format on spreadsheet	Is this minimum information required to support a claim	Maximum number of characters
Title	No	4
First name or initials	Yes	35
Last name	Yes	35
House name or number	Yes (You can also provide the first line of the address)	40
Postcode	UK addresses only	10
Aggregated donations	See below for more information	35
Sponsored Event	No	Yes or Blank
Date of payment (or latest in series)	Yes	DDMMYYYY
Total amount of donations received	Yes	-

Aggregated donations – This allows donations of less than £10 from different donors to be added together and shown as one entry. The total of each line must not be more than £500. If you are making a claim for an aggregated donation on your spread sheet DO NOT fill in the donor detail fields (rows 1 - 5 above) for that entry. Instead enter a short description that will allow you to identify the relevant Gift Aid declarations and payment records.

Sponsored events – If you are entering donor details for a sponsored event, enter Yes in the sponsored event column. Otherwise, leave this column blank.

Further information

We will be publishing more information on our website in January and will be writing to all charities and CASCs in February with further details on what they need to do to prepare for Charities Online.

Gift Aid Small Donations Scheme

The new Gift Aid Small Donations Scheme is due to be introduced from 6 April 2013. Qualifying charities and CASCs will be able to claim a top-up payment equivalent to Gift Aid on certain small cash donations. Further information on the Parliamentary process to legislate the scheme can be found at: services.parliament.uk/bills/2012-13/smallcharitable donations.html

More detail on how to claim under the scheme will be provided in January once the legislation to introduce this scheme has been finalised by Parliament.