



Gift Aid for rugby CASC's and Volunteer expenses - step by step guide

Introduction:

An amateur rugby football club which is open to the community and satisfies certain other conditions can register as a Community Amateur Sports Club with HMRC. This will result in financial benefits to the club, one of which is tax rebates from HMRC on individual's donations made under the Gift Aid system. This guide explains how volunteer expenses may generate Gift Aid from HMRC in appropriate circumstances.

Background:

- a. CASC's may reimburse expenses which are proper, reasonable and evidenced to volunteers who assist them.
- b. Where a volunteer foregoes the expenses to which he or she is entitled this "gift" does not qualify for gift aid.
- c. There is however an alternative approach for volunteers who are UK taxpayers.
- d. The expenses can be reimbursed by the CASC to the volunteer who then may make a donation to the CASC qualifying for gift aid.
- e. This will mean that the CASC can claim a repayment from HMRC which currently amounts to 25p for every £1 given.

Steps to be taken:

1. The club's rules should provide for the reimbursement of expenses (such as travel ,printing, communications , copying etc) properly incurred by volunteers in carrying out their voluntary work for the club (1).
2. The volunteers should make a claim for reimbursement of any reasonable expenses incurred on a claim form supported by appropriate invoices, receipts etc which is then approved by the club secretary or treasurer (2).
3. The volunteer should be paid the expenses to which he or she is entitled by the club (on at least one occasion the payment should be made by cheque rather than cash).
4. The volunteer is then in a position to keep the money or pay all or part of it back by way of a donation to the club under gift aid. The latter will involve the completion of a gift aid declaration.

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5. The CASC should complete gift aid documentation in accordance with normal procedures and submit a gift aid repayment claim to HMRC.
6. The club should keep appropriate records to show what it has done.
7. This is only suitable for volunteers who have themselves paid at least as much UK tax as the amount due on the grossed up donation (3).

Notes:

- (1) The approach is directed principally at volunteers for their voluntary work for the club e.g. as a coach, not generally for expenses incurred by members playing for the club.
- (2) The reimbursement of reasonable expenses in this way where there is no salary or fee paid to the volunteer should not treat him or her as an employee for PAYE etc.
- (3) The other rules of the gift aid scheme must of course be met such as the limit on the value of any benefits given to the volunteer in return for the donation.

6th December 2016