

Planned charitable giving is growing strongly

11 November 2004

New figures from CAF (Charities Aid Foundation) show that regular, planned giving to charity is growing healthily.

Donations through payroll giving, which are deducted tax-free from pay, rose from £86m in 2002/03 to £91m in 2003/04. And with around 60% of the UK's 250 FTSE companies operating a payroll giving scheme, around 5 million employees now have access to this form of giving.

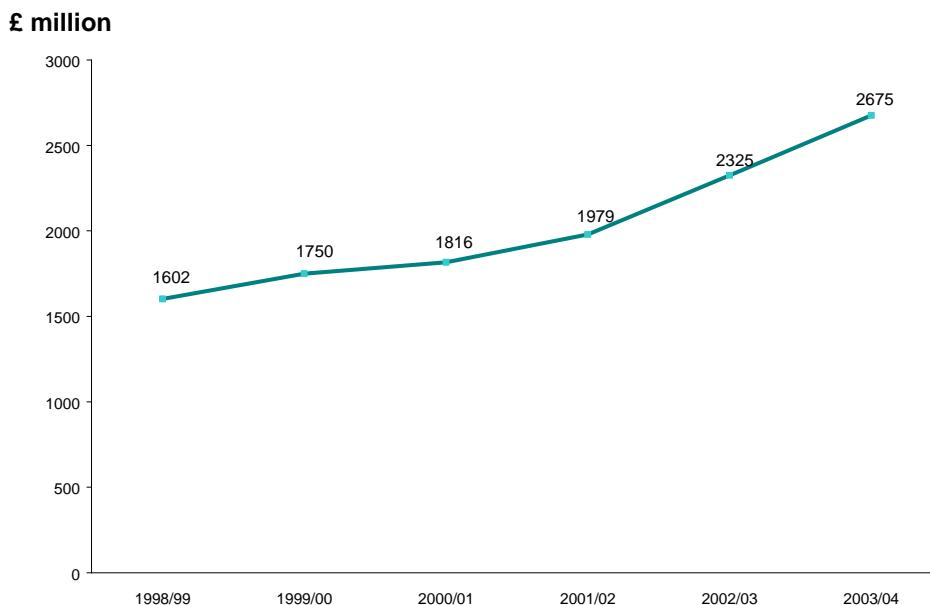
Payroll giving received a boost by government between 2000 and 2004, when all donations through the scheme were given a 10% top up. And while this clearly had a major impact on levels of donations, other forms of planned, tax-efficient giving have also seen significant increases.

Gift Aid, which allows charities to reclaim tax on every donation made by a UK taxpayer, has seen similar strong growth. Between 2002/03 and 2003/04, Gift Aid donations rose to £2.7 billion, an increase in real terms of 12%. Over £580 million of this represented tax reclaimed from the Inland Revenue.

One of the added benefits of Gift Aid is that higher rate taxpayers can reclaim 18% tax on their donation for themselves. In 2003/04, this amounted to £310 million in tax relief for donors.

According to CAF's Chief Executive, Stephen Ainger, speaking at the CAF Annual Conference and Exhibition: "We're beginning to see the beneficial result of charities investing in systems for Gift Aid. The added value to charities of gifts which are made through regular, tax-efficient methods cannot be overstated."

Total value of donations by individuals through Gift Aid and covenants (1998/99 – 2003/04)



For more information about the CAF Updates on Payroll Giving and Gift Aid, published today, contact Michelle Graley on tel: 01732 520 125 or email

mgraley@cafonline.org

For all Press enquiries contact Vicki Pulman or Wendy Green at CAF Tel:
01732 520 094/120.

Email: pressoffice@cafonline.org Website: www.cafonline.org