

## **GIFT AIDING YOUR MEMBERSHIP SUBSCRIPTION**

### **What is Gift Aid and how does it affect the EI?**

Gift Aid is tax relief on money donated to UK charities. The EI is a registered charity. The Inland Revenue (HMRC) treats donations as if the donor had already deducted basic rate tax from them. The EI can then reclaim this tax to increase the value of your donation in the form of your individual membership subscription.

### **Does it cost me any more?**

No – you pay only your membership and registration (e.g. CEng) fees

### **What do I need to do then to ensure the EI makes the most of my subscription?**

You need first to be eligible under the HMRC rules. These state that

- you must be a UK taxpayer and resident in the UK (You also qualify if you are Crown servants or members of the UK armed forces serving overseas.)
- you must pay enough UK income tax and/or capital gains tax to cover the amount of tax the EI will reclaim.
- you must provide the EI with a gift aid declaration.

### **I recall sending in a form before now. Do I need to send another?**

If you have not already sent one, then yes you should, to Membership, the Energy Institute, 61 New Cavendish Street, London W1G 7AR. If you are not sure then contact us or download one from our website.

### **What if I am a higher-rate taxpayer?**

If you pay Income Tax at the higher or additional rate and want to receive the additional tax relief due to you, you must include all your Gift Aid donations on your Self Assessment tax return or ask HM Revenue and Customs to adjust your tax code.

### **Can the EI make backdated claims?**

Yes we can. For 4 years, from the date of the first claim after your Declaration, provided you have been eligible during that time.

### **I reclaim my subscription from my employer. Am I still eligible?**

Unfortunately, no, whether you pay upfront and reclaim your subscription or whether your employer pays it direct but if you start paying your own subscription, we can claim from that date.

### **Are you able to register me with a business address?**

No, under HMRC rules we need you to provide a home address. If you still want your EI correspondence to be sent to your business address, we shall still do so.

### **I work overseas. Am I still eligible?**

The important test is whether you pay UK tax sufficient to cover your subscription.

**I am retired; can you still claim Gift Aid relief?**

Yes, the important thing is whether you pay enough UK tax to cover your subscription.

**The tax rate has gone down, does this affect me?**

The rate of basic tax was reduced from 5 April 2008 to 20p in the pound. However you can still claim higher rate tax on your tax return. However HMRC are paying a 3p in the pound supplement, so that charities, such as EI do not lose out. The EI will reclaim 28p of tax on every £1 that you gave up to 5 April 2008 and will reclaim 25p of tax on every £1 that you give on or after 6 April 2008.

**Do I need to do anything else?**

No - once you have submitted your declaration and you are eligible under the rules, the EI will make the claim. You do need to **notify us** though if you:-

- Want to cancel this declaration
- Change your name or home address
- No longer pay sufficient tax on your income and/or capital gains.