

# Gift aid for higher rate taxpayers



**Are you a Higher Rate Taxpayer (those with a taxable income between £50,271 & £125,140)?**

**or Additional Rate Taxpayer (taxable income over £125,140)?**

**If you pay tax at a rate of 40% or above, you can claim back the difference between the higher and basic rate on your donation\***

You can do this:

- through your Self-Assessment Tax Return
- by asking HM Revenue and Customs (HMRC) to amend your tax code

## Example 1:

Higher Rate Tax Payer at 40%

You donate £10,000 with gift aid

SongBird Survival can then claim 25% from the Inland Revenue, at no extra cost to you, which will boost your donation to £12,500

You can then claim back from HMRC the difference\* (20%) between the rate you pay and the basic rate on your donation

Therefore you can claim  $20\% \times £12,500 = £2,500$

Making the cost of your £10,000 gift only **£7,500** to you

## Example 2:

Additional Rate Tax Payer at 45%

You donate £10,000 with gift aid

SongBird Survival can then claim 25% from the Inland Revenue, at no extra cost to you, which will boost your donation to £12,500

You can then claim the difference\* (25%) between the rate you pay and the basic rate on your donation

Therefore you can claim  $25\% \times £12,500 = £3,125$

Making the actual cost to you **£6,875**

**This makes a £10,000 donation to SongBird Survival worth £12,500 and will only cost you either £7,500 or £6,875**

*\*Please note - You have to claim the difference back, SongBird Survival is unable to do this for you. For more information on how to claim back please visit [www.gov.uk/donating-to-charity/gift-aid](http://www.gov.uk/donating-to-charity/gift-aid)*