

# THE RELIEF CHEST ENVELOPE SCHEME GUIDANCE NOTES

HM Revenue & Customs (HMRC) allows registered charities to claim back tax from all donations made under the Gift Aid Scheme. The Freemasons' Grand Charity is therefore able to claim an additional 25p for every £1 donated. In addition, a further 3p subsidy for every £1 will be added by HM Government until April 2011. The introduction of an Envelope Scheme, similar to that already used by many other charities, has enabled us to extend the scope for claiming Gift Aid to include traditional cash collections undertaken at Masonic meetings.

The purpose of this pack is to give you all the guidance necessary to collect and forward these donations to the Relief Chest office. We will then claim the Gift Aid on your behalf and credit the amount to your Relief Chest.

It is hoped that you will be able to make full use of this initiative to maximise the impact of the generosity of your individual members.

A flowchart illustrating the process required to claim Gift Aid on cash donations made in Gift Aid envelopes is included in this pack.

## **ENVELOPES**

Envelopes have been produced centrally by the Freemasons' Grand Charity to meet HMRC criteria. These will be supplied on demand at no cost to your Lodge, Chapter, Province etc.,

***Variations must not be produced locally without prior agreement with the Freemasons' Grand Charity.***

The donor should complete the tear-off slip on the envelope **only** if he is a UK Tax Payer and has paid an amount of Income Tax or Capital Gains Tax at least equal to the amount that the Freemasons' Grand Charity Relief Chest will reclaim.

**The donor must write his name and full address, clearly, or we will not be able to reclaim tax.**

Once the donor has completed the tear-off slip, he should detach it and place it inside the envelope with his donation.

The envelopes should be collected and opened by a member or members of the Lodge, Chapter, Province etc., who receives the money on behalf of the Freemasons' Grand Charity. He should ensure that the amount entered on the slip corresponds with the donation.

**Please ensure that all members who wish their donation to be treated as Gift Aid have ticked the appropriate box on the tear-off slip.**

***We will not be able to reclaim tax if the box is not ticked.***

## **ENVELOPE/DONOR VERIFICATION**

As most donations given in this manner are likely to be cash, it is assumed that the Lodge, Chapter, Province or other Masonic body will bank the proceeds and issue a cheque to cover the total amount. To adhere to HMRC guidelines, the source of donations covered by such a cheque not drawn on the donor's own account will need to be verifiable.

The Verification Schedule aims to make this process as painless as possible. The Schedule must be completed by the member of the Lodge, Chapter, Province, etc., who has collected the envelopes and must be sent to the Relief Chest office along with all of the tear-off slips from the envelopes.

**Without this Schedule we will not be able to reclaim tax, even if the envelopes have been completed correctly.**

***Please contact the Freemasons' Grand Charity on 020 7395 9246/9361 if you would like further information on tax efficient giving.***