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Monthly  
Newsletter

**March 2026**

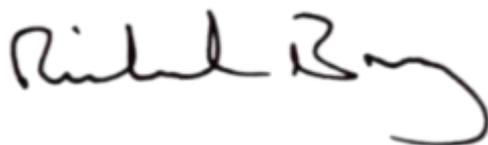
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**A quiet month in the courts but a busy month for CTG...**

Dear Supporter,

We report on a couple of cases of interest whilst our excellent new CEO has been described by a colleague as 'going at full tilt' and this certainly seems to be the case. Luke has been on the road meeting politicians, getting to know CTG's observer and charity members, and working hard to move forward our new website project. We have also had very positive engagement with HMRC this month and are hopeful that we will be able to work with HMRC on a number of projects this year. This should make life considerably better for charities.

To find the latest resources and keep up to date with charity tax news, follow us on [LinkedIn](#): It's the quickest way to stay connected!



**Richard Bray**  
Chair, Charity Tax Group

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## **This week's Spring Forecast**

The Spring Statement introduced no new tax measures and served primarily as a stability update rather than a fiscal intervention. Although the Spring Forecast reported falling inflation and borrowing, these improvements were not coupled with any new relief for rising charity costs.

Charities are facing cost increases from April 2026, which have come from measures previously announced and legislated for. Wage floors will rise, with the National Living Wage increasing to £12.71 and younger worker rates also climbing. Charities are also expected to see higher staffing-related costs and are continuing to absorb the higher Employer NIC rate of 15%.

There is some good news coming, with the forthcoming VAT relief on donated goods taking effect 1 April 2026, which will remove the requirement for businesses to account for VAT on eligible goods donated to charities, representing a constructive step that may help increase donation and reduce waste.

We will continue to work with the Government in the months ahead, including in the lead-up to the Budget later this year, to ensure that the Government addresses the needs of the charity sector when making new tax policy. This will include ongoing discussions on priority issues such as Gift Aid reform, the treatment of VAT on social media advertising, and the case for modernising VAT reliefs on essential disability equipment.

## **Charging ahead**

Although we have not yet seen the text of the decision, a VAT tribunal last week supported an appeal that contrary to HMRC's view, charges for electricity supplied for charging cars should be liable to VAT at 5%

and not 20%. This is perhaps unsurprising as the legislation is clear that supplies of low amounts of electricity are deemed to be for domestic use.

If you have charged VAT at 20% on such income it is perhaps worth revisiting this for both current (no pun intended) supplies and historic charges (again). However, it may also be worth holding fire for a few weeks to see if HMRC intend to appeal or change their policy.

### **Being sold a pup doesn't get you off the hook...**

We won't go into all the detail but there has been yet another instance of a taxpayer being a victim of a slick marketing machine which made a spurious repayment claim to HMRC on their behalf. *Uzoh v HMRC*, 2026 UKFTT233 (TC). Although in this case the victim was not a charity, we know that all charities are being forced to do more with less. But this is a reminder that if tax advice looks too good to be true, especially if it is not from a reputable provider, it probably is.

Signing up could leave you much worse off with HMRC applying penalties and interest as well as the fees of the agent submitting the claim. This is also a reminder that charities should take care when appointing an agent to claim Gift Aid on its behalf especially when the payment goes into the agent's bank account. It is important that the charity carries appropriate due diligence on the agent and seeks assurances for protection from potential charges for penalties and interest.

### **When buying in services from overseas can take you over the VAT registration limit**

Our third case, *Genuine Homecare Services Ltd* 2026 UKFTT 235 (TC) is also not a charity case, but involved a business making exempt supplies, which is a familiar scenario to many charities. The taxpayer had not registered for VAT as they were making exempt supplies. However, although the taxpayer argued otherwise, they were buying in supplies of staff from overseas. This is a supply subject to the reverse charge, and the value of supplies meant that the company should have registered for VAT, and paid VAT on those supplies. Charities

which are not registered for VAT should take care to evaluate the nature of any supplies they are buying in from overseas and monitor whether they may need to register for VAT after all.

### **Sales force/Fin Doc solution for claiming Gift Aid**

Many charities have adopted a Sales force/Fin Doc solution for claiming Gift Aid. CTG have contacted Fin Doc, who would be happy to meet with charities who are using their product. Please [\*\*get in touch with us\*\*](#) if you would like to be part of those discussions.

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### Tip of the Month

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With our Expert Insight session on HMRC reviews coming up at the end of this month ([\*\*register here\*\*](#)), the wise words of one of our trustees, Barnaby Brand, who is now the Head of Privacy at Age UK, come to mind. ‘Be audit ready – it is your chance to shine’. Remembering that you can't do it all when you get the call, it is always worth spending some time walking through your key processes and ensuring that you have the right controls in place.

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### Shaping the Conversation

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### **“Charities are unfairly penalised in the tax system” – CEO Interview**

We're pleased to share the first media interview with our new CEO, Luke Hall, who joined CTG in January.

Luke talks candidly about his journey, from working on the shop floor

in Lidl, to Member of Parliament and eventually to Government minister during the pandemic, how it shaped his commitment to public service and how his personal experiences drove him to work in a sector that helps families and communities directly.

Read about Luke's priorities for CTG and why he believes that charities are unfairly penalised in the tax system: [Continue reading here.](#)

### **Listen! Putting Charity Tax on the Agenda**

In a recent clip from the "Political Currency" podcast, our CEO Luke Hall sets out why charities must have a voice at the top table when tax decisions are made. From modernising Gift Aid to fixing outdated VAT rules on social media advertising and essential disability equipment, we are working closely with members to push for practical reforms.

We're making sure our members' voices are heard, in the media, in Parliament, and across Government. There is more to come, so watch this space.



Political Currency podcast with Luke Hall CEO



Future Events

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**CTG Expert Insight Sessions**

Our next Expert Insight session will be a session on HMRC reviews, in particular the Structured Risk Review (SRR). Nick Bustin and Jamie Whale from HaysMac will share their knowledge and experience about including what should you do to prepare for an SRR and how should you respond when the call comes in. The session will run on Thursday 26th March 2026 at 4pm and booking is now open. [Register here.](#)

Our April Expert Insight session will be on creative sector reliefs – Pete Chapman, a partner at KPMG will talk us through how charities can access this suite of valuable reliefs which can result in a cash repayment. The session will run on Tuesday 28th April 2026 at 4pm and booking will open soon. Pete has also written an article for our website which can be found [here.](#)

And our third Expert Insight session this Spring will be valuable to any charities which operate subsidiary trading companies. Crystal Leader from Moore Kingston Smith will talk us through how Gift Aid works to reduce or eliminate the taxable profits of subsidiary trading companies but also alert us to possible pitfalls. The session will run on Tuesday 19th May 2026 at 4pm and booking will open soon. Crystal has also written an article for our website which can be found [here.](#)

### **Tax awareness week**

Our friends at the Chartered Institute of Taxation and the Association of Taxation Technicians are running [tax awareness week](#) on the 9th to 13th March. Always worth a look either to bust some of those tax myths or to learn more about choosing a reputable tax adviser.

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### **Expert Insight Sessions Recordings**

Our previous Expert Insight Sessions recordings can be viewed by clicking the buttons below:

Expert Insight Recordings

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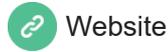
### **Observer Members**

We are pleased to feature our current Observer members on our website. To view the current list of members and learn more about their organisation please click the button below:

## Observer Members

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**Stay connected!**



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[CHARITY TAX INFORMATION](#) / [SUPPORT US](#)

If you have any questions, feedback or need assistance, please do not hesitate to get in touch. [info@charitytaxgroup.org.uk](mailto:info@charitytaxgroup.org.uk)

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