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The Charity Tax Group Newsletter

October 2025

As the summer has definitely given way to autumn, as well as looking forward to our annual conference in December, we are eagerly awaiting the budget which means that the world of tax is fairly quiet this month.

We report on a tax case which shows the value of keeping your house in order, or the perils of not doing so, and an informal update from HMRC on their plans to mitigate against the impact of the Digital Markets and Consumer Credit Act (DMCCA) on Gift Aid on annual memberships.

We also have news of our exciting training programme and expert sessions.

Richard Bray,
Chair, CTG



Latest News

Tax Training

You may remember that we were proud to announce a few months ago, that CTG had been accepted as a charity by The Charity Commission. Part of our charitable mission is to educate charities and others on the workings of the tax system. So, in addition to our working groups for VAT, Gift Aid, and Customs

duties, we are now running training sessions. These will help charities get to grips with some of the more fundamental tax issues which affect them, to enable them to get the most out of available reliefs and get things right. Last month we ran a session on Gift Aid which had great feedback. Even one of our more experienced members said: *"It was a great refresher as well as learning some points I wasn't aware of"*.

This month, we turn our thoughts to VAT with a session entitled [Should I register for VAT?](#) This will cover topics such as which sources of income count towards the registration limit and whether it is worth registering for VAT even if you don't have to. It will be useful even if you are already registered as it will help you confirm which bits of your income are and are not subject to VAT. You can [book here](#) and also find details of our other upcoming sessions below.

A sticky wicket?

Paul Collingwood is a former cricketer. He assigned rights to his intellectual property to a company and expected the company to settle the tax arising. There was however a problem. Mr Collingwood appears to have forgotten (or been unaware) that the company needed to be included in any future contracts. Instead, he made himself a party to the contracts. On that basis HMRC said that he (and not the company) needed to settle the tax arising. A recent tax tribunal found that irrespective of any other understandings or intentions, that the wording set out in contracts would normally be the source of the truth and agreed with HMRC.

What does this have to do with charities? Charities often have subsidiary companies which are intended to operate separately. In our experience though the boundary between the charity and the subsidiary is often forgotten or blurred and contracts are frequently created in the wrong names. This is dangerous.

So, at the risk of mixing metaphors, if you want to play the right shots, you need to make sure that you get your ducks in a row.

DMCCA.

Last week CTG had one of our regular catch-up calls with HMRC. We raised the issue of the impact of the Digital Markets and Consumer Credit Act (DMCCA) on Gift Aid. We know that this is a very important issue for many of our members who have annual membership arrangements with their supporters. The requirement in DMCCA for a 14 day cooling off period with a right to repayment means that, as things stand, annual memberships will no longer be qualifying donations for Gift Aid. HMRC confirmed that they are working hard on drafting the required changes to legislation to enable Gift Aid still to be claimed in these circumstances, which we hope will be published at

the time of the budget. HMRC were clear that in normal circumstances they would have already published draft legislation, but the required changes are apparently quite tricky and this is the reason for the delay.

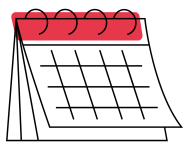


Tip of the Month

Jack Ray-Atkins of The Customs People has contributed our tip of the month. Jack's tip is that many importers, particularly those who are not regularly importing goods, do not consider '[incoterms](#)'. Incoterms (short for International Commercial Terms) dictate the responsibilities, costs and risks borne by each party in the international movement of goods. It is crucial that these are considered prior to a shipment being arranged, either into or out of the UK, to ensure those used align with the charity's intentions and to avoid incurring unanticipated costs and obligations.

For example, if a UK charity exports goods on a DDP (Delivered Duty Paid) basis, they are the importer of record into the country of destination, and this may require a domestic VAT registration in this country. Exporting goods on a DAP (Delivered at Place) basis, may be less onerous as the recipient would then be the importer of record into the country of destination.

You can hear more of Jack's tips in our expert session covering all things imports, exports and customs duties on 14th October at 4pm. [Click here to book.](#)



Future Events

CTG Annual Conference

We are pleased that we already have bookings for over 70% of the spaces available on our CTG annual conference on 5th December 2025 which will be held at the beautiful Royal Society, 6-9 Carlton House Terrace, London SW1Y 5AG. [Book now to avoid disappointment.](#)

CTG Autumn programme

Our training sessions will help charities get to grips with some of the more fundamental tax issues are suitable for any level of experience and will increase or refresh knowledge. The courses are suitable for those working or volunteering in small or medium sized charities as well as larger charities. The courses can be booked online using the links below and cost £35+VAT.

[Should I register for VAT?](#)

16/10/2025 at 3.30pm

Although charities can access some special reliefs, as taxpayers they have to consider whether they should register for VAT -either because they have to, or it would be beneficial to register voluntarily. In this session we will cover: What types of income are subject to VAT? When do you need to register for VAT? When is it beneficial to register voluntarily for VAT? What do you do if you discover you should already be registered for VAT?

[How do I get my Gift Aid claims right?](#)

13/11/2025 at 3.30pm

Gift Aid is a valuable source of funding for many charities. But claiming Gift Aid is complicated and the HMRC guidance can be a resemble a Labyrinth, so it's important that charities get it right. In this session we will cover: When is charity income eligible for Gift Aid? How do you collect and store Gift Aid declarations? How do you submit Gift Aid claims to HMRC so they go through first time? What other rules should you be aware of? And how do you navigate the HMRC guidance?

[Do I need to submit a corporation tax return?](#)

26/11/2025 at 10am

Charities don't pay corporation tax...this statement is mainly but not totally true and that may be why this is one of the most popular questions we receive at Charity Tax Group. All charities need to consider whether their income streams fall into the charitable tax exemptions, and whether they need to file a tax return with HMRC. in this session we will cover: What are the charity exemptions for corporation taxes? How do they work in practice? What types of charity income could be taxable? What do you do if you have taxable income to report to HMRC or you get a request to submit a corporation tax return?

[What is employment status for tax? And when is a volunteer not a volunteer for tax?](#)

03/12/2025 at 3.30pm

If you have a contract of employment the tax position is quite simple. But if you engage someone to do something for you and they are not an employee, the landscape is a lot more complicated. Whilst the courts spend their time looking at the contracts of highly paid TV presenters, charities have to ask the same

question about whether they can pay their 'volunteers' or other service providers without deducting any payroll taxes, or if in fact they should treat these payments as salaries. In this session we will cover: What is employment status and why does it matter? How do you determine employment status? How does employment status apply to volunteers? What can you do to reduce your tax risk in this area?

Our popular **Expert Insight Sessions**, are run as webinars, with expert speakers focused on issues and subjects with wide relevance.

Expert Insight Sessions: Dates for your diary:

- Tuesday 14th October – Customs Duties, a practical guide – Jack Ray Atkins, The Customs People. - [Book here](#)
- Monday 10th November – Dealing with biodiversity net gains (BNG) – Cara Turtington and David Humphrys – Saffery
- Thursday 15th January 2026 – Rates update – John Webber Colliers.

*registration links will be sent out direct to your mailbox

Our **Gift Aid** and **VAT** practical issues working groups give charitable organisations the opportunity to discuss the details of these two important areas of tax. Meeting links will be sent out direct to your inbox however please [get in touch](#) if you have any questions.

Gift Aid Practical Issues Working group meetings: Date for your diary:

- Tuesday 2nd December at 4pm

VAT Practical Issues Working group meetings: Date for your diary:

- Thursday 11th December at 4pm

Our **Customs** practical issues working group meetings give charitable organisations the opportunity to discuss customs duties which arise on importing and exporting goods.

Customs Practical Working group meeting:

- TBC

*registration links will be sent out direct to your mailbox

We run regular sessions for our **Observer members** to share their experiences and the latest news and developments in charity tax.

Observer Member Meetings: Date for your diary

- Thursday 27th November at 3pm and 4pm

*registration links will be sent out direct to your mailbox

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

[Expert Insight Recordings](#)

[Previous Newsletters](#)

We are pleased to feature our current Observer members on our website. To see the current list of members and learn more about their organisation please visit the [Observer section](#) on our website.

[OUR WEBSITE](#) / [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

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