
Gift Aid Bulletin – Autumn 2025

CTG were pleased to welcome HMRC to our additional Gift Aid working group last week. We were joined by Eric Jackson from the compliance team, Sean Perkins from policy, Sue Murray Prichard Customer Compliance Manager (CCM) WMBC, and Steve Carroll from the operations team.

Why did CTG invite HMRC to join the call?

CTG asked HMRC to join the call following feedback from member charities as a result of an increased level of compliance examination of Gift Aid claims. This has resulted in HMRC rejecting some claims or making reduced payments to charities compared to the value of the claims submitted. We provide more detail below on the type of errors that HMRC are finding, and how charities can check the status of their claims.

What type of errors are HMRC finding?

The main issues arise with quality of data on addresses. This can include but not limited to:

- Addresses in the Isle of Man or Channel Islands listed as UK residents
- Addresses listed as non-UK, and so without a postcode when the address is UK eg in Scotland
- Missing house number or name, or insertion of number 1 for a large proportion of claims
- Including addresses which are not residential eg including the word 'unit' which indicates that the donor's address may be for a company rather than an individual
- Including more than one name on each line. For joint declarations, charities should list one name on each line.

What information can HMRC give charities on the status of their claims

Where larger charities are supported by an HMRC Customer Compliance Manager (CCM), the CCM will contact the charity by phone to discuss any issues with their claims. For other charities, if not all of the claim is paid, HMRC cannot add a 'customer service message' onto the return system, and so they will send a letter by post. This may be received some time after the claim has been part paid. HMRC recommend that charities in this position call the helpline to discuss the claim.

What additional difficulties are our members finding that HMRC need to be aware of?

We have raised the following points with HMRC:

- The most significant problems arise with third party platform providers who do not necessarily take the required care with supporter data but contractually put all responsibility onto the charity. It would be very helpful for HMRC to work with these providers.
- Many of our larger members use Customer Relationship Management (CRM) Software which is designed to manage the charity's engagement with the supporter and not just Gift Aid. The address details are often taken directly from the Royal Mail database which may not populate the house number or name field and may not pick up some post codes for newer developments.
- Some valid residential addresses do include, for example, the term 'unit'.
- Some overseas residents, including from IoM or Channel Islands may be UK taxpayers. It is not clear what steps a charity should take to verify this?

Use of full names

HMRC confirmed once again that for the time being there is no requirement for a full name and HMRC will accept a claim with initials. However, HMRC are still working on the required steps to require a full name to enable them to identify donors. CTG will of course work with HMRC on the transition and address issues such as where individuals do use initials in lieu of a full name, the head of HMRC, JP Marks, being a prime example!

Digital Markets and Consumer Credit Act (DMCCA)

We know that the introduction of DMCCA is a cause of major concern for many members who benefit from Gift Aid on annual memberships. HMRC confirmed that they are working through the impact on Gift Aid, and that they are intending to take the necessary steps to make sure that charities are not penalised as a result of the changes to consumer protection. We are monitoring the position closely.

Gift Aid Small Donations Scheme (GASDS)

GASDS is a very valuable relief to many smaller charities. HMRC noted in our meeting that they have received several approaches to raise the limit from its current level of £8,000. To support a proposal to ministers to make a change, HMRC would like to understand how GASDS is working now, and what would the impact be for an increase. If you would like to contribute to this discussion, please [get in touch](#).

Next steps

HMRC were very open and it is clear that they want to work with charities to get Gift Aid claims right. The recent HMRC work on claims has demonstrated that many charities are submitting Gift Aid claims that contain poor data. We recommend that charities review as a matter of urgency the quality of data that they are submitting to HMRC. As well as continuing to work with CTG, HMRC are due to issue guidance on making claims soon. CTG will share this with members as soon as it is available.

Best wishes,
Charity Tax Group

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