

Model Challenge Event Sponsorship Form

Please sponsor me:

Name: _____

Address: _____

Postcode: _____

To (name of event) _____

In aid of (name of charity or CASC) _____

How to use Gift Aid

- Gift Aid allows charities to claim the basic rate of tax on every pound donated. That is an extra 25p per pound!
- Ask every tax-paying donor to write their full details and tick the Gift Aid box to increase their donation at no extra cost. They must do this in their own handwriting so we can claim Gift Aid.
- When you pay in the money you have raised, make sure you send us this form too

Connected Persons: Sponsorship payments towards the cost of an event made by people who are connected to the participant (e.g., wife, husband, civil partner, son, daughter, parent, grandparent, or grandchild) will usually fail the donor benefit rules and so will not qualify for Gift Aid. This is because HMRC perceives there to be a personal benefit of the experience (e.g., skydiving, climbing Kilimanjaro).

Remember: You must provide your full name, home address, postcode & '✓' Gift Aid for the charity or CASC to claim tax back on your donation.

Sponsor's Full Name (First name & surname)	Sponsor's Home address Only needed if you are Gift Aiding your donation. <i>Do not give your work address if you are Gift Aiding your donation</i>	Postcode	Donation Amount £	Date paid	Tick here for 'Gift Aid'. Please read the details and declaration below* <input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
					<input type="checkbox"/>
Total donations received			£		
Total Gift Aid donations			£		
Date donations given to Charity or CASC					

**I have read this statement and have ticked the box headed 'Gift Aid' as confirmation that I am a UK Income Tax and/or Capital Gains taxpayer. I want the _____ (name of charity or CASC) to reclaim tax on the donation detailed, given on the date shown. I understand that if I pay less Income Tax and/or Capital Gains tax in the current tax year than the amount of Gift Aid claimed on all of my donations it is my responsibility to pay any difference. I understand _____ (name of charity or CASC) will reclaim 25p of tax on every £1 that I have given.*

_____ (name of charity or CASC) will only use the details that you have provided for the purposes of administering your donation and for claiming Gift Aid.

IMPORTANT GUIDANCE FOR CHARITIES: Sponsorship payments and Gift Aid

Gift Aid

Sponsorship payments are eligible for Gift Aid provided all the normal requirements of the scheme are satisfied, including the [benefit rules](#).

The relationship of the sponsor to the participant - whether they are 'connected' persons - generally decides whether sponsorship may be Gift Aided. A 'connected person' is a person that is connected with a donor if that person is:

- the wife, husband or civil partner
- a relative (brother, sister, ancestor (for example, mother) or lineal descendant (for example, grandson)
- the wife, husband or civil partner of a relative
- a company under the control of the donor, or under control of connected persons

In most instances a participant will receive a benefit equal to the cost of the event, less any payment they personally make towards the cost of the event (including any deposit/registration fee payable). Where the value of the benefit exceeds the permitted levels Gift Aid will not be available.

Sponsors who are connected persons

Sponsorship payments made by persons connected to the participant also, usually, fail the donor benefit rules (where the participant receives a benefit) and so will not qualify for Gift Aid.

Sponsors who are not connected persons

Sponsorship payments made by persons not connected to the participant can be made under Gift Aid. So, if all the sponsorship raised by a participant is donated by persons not connected to the participant then all those individual payments can be Gift Aided.

Participant

Any deposit/registration fee paid by a participant will not be a donation to the charity and so cannot be a Gift Aid payment. Any donation made

The participant pays the full cost of the event.

If a participant personally pays the charity the full advertised cost of the event from his own resources, the value of the benefit of participating is reduced to nil. The benefit rules still apply but in this instance the value of the benefit will be nil. So, while the sum paid by the participant to meet the full cost of taking part in the event cannot be Gift Aided, the donations made by others by the participant may also fail the benefit rules and cannot be Gift Aided. Others (both connected and not connected persons) can be Gift Aided.

Example:

Full cost of the trip is £1,200 (£200 deposit/registration fee plus £1,000 for the balance of the trip).

If the participant pays the charity the full £1,200, they will reduce that benefit to nil. None of this payment will be a gift to the charity so none of the £1,200 can be a Gift Aid payment.

If the participant reduces the benefit to nil by paying the full cost of the trip then all sponsorship paid, whether by connected persons or otherwise, can be Gift Aided.

Charities should take all reasonable steps to ensure that Gift Aid payments are not received from persons connected to a participant. HMRC recognises that, in practice, a charity cannot be expected to check whether a participant and their sponsors are connected persons. However, a participating charity must include in the event literature and on the sponsorship form: an explanation that sponsors connected to a participant cannot make their donations by Gift Aid unless exceptionally the participant pays the full advertised cost of the event the definition of a 'connected person'.