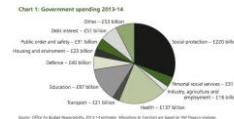


Gift Aid Scheme



You earn taxable income:

- Income Tax as employee or self employed
- Tax on savings account, private pension, investment income
- Capital Gains Tax, e.g. sale of property or shares

You pay tax on this income:

- This is normally deducted automatically
- Also see amount specified in Self-Assessment form for those that have filled
- Note Tax year runs from April 6 2016 to April 5 2017

Government spend on:

- Health & Education
- Social Services
- Public Order
- Gift Aid Scheme Government incentive as charities aid communities [Higher rate tax payers can also benefit personally]

Charity gets Gift Aid:

- Charity gets 25% Gift Aid supplement where donor has provided consent & paid enough Income or Capital Gains Tax
- Separate Gift Aid consent is required for each charity, e.g. AMA UK, Ansarullah UK, MKA UK, Lajna UK, HF, Save the Children, etc

Who should provide consent?

Every man and woman who pays sufficient Income or Capital Gains tax.

How much Tax must I have paid?

You must have paid 25% of your total contribution to charities that you have provided Gift Aid consent for over the financial year.

EXAMPLE EARNINGS:

	Monthly	Annually
Gross Pay (pre-tax):	£1,083	£13,000
Tax Free Allowance:	£917	£11,000
Taxable Wage:	£167	£2,000
Tax Paid:	£33	£400
National Insurance:	£49	£593
Net Income:	£1000	£12,000

EXAMPLE CHANDA:

	Monthly	Annually
Chanda Wasiyyat:	£100.00	£1,200
Chanda Jalsa Salana:	£8.33	£100
Tehrik-e-Jadid:	£16.67	£200
Waqf-e-Jadid:	£8.33	£100
Total Charitable Contribution:	£133.33	£1,600

Nb: You also need to take into account any Gift Aided donation to auxiliaries or other charities when accessing if you have paid sufficient income tax.

	Monthly	Annually	Provide Gift Aid consent if:
25% of Total Gift Aided Charitable Contribution:	£33.00	£400	25% of your Gift Aided donations ≤ Income Tax Payment
Tax Paid:	£33.00	£400	

EXAMPLES OF EARNINGS V

MAX CHANDA THRESHOLD:

	Gross Pay:	£11,000	£12,000	£13,000	£14,000	£15,000	£16,000	£20,000
Net Pay:		£10,647	£11,327	£12,000	£12,687	£13,367	£14,047	£16,767
Tax Paid:		£0	£200	£400	£600	£800	£1,000	£1,800
Tax Paid x 4 -> Max Chanda Threshold:	n/a	£800	£1,600	£2,400	£3,200	£4,000	£7,200	