

10.1

Repayments of tax and payments of tax credits to charities

Total amounts, by category of income

Amounts: £ million

Year	Total repayments of tax	Category of repayment				
		Gift Aid	Transitional relief top-up ¹	Covenants	Tax credits on dividends of U.K. companies ²	Income received under deduction of tax ³
1990-91	474	11	n/a	206	169	88
1991-92	559	54	n/a	216	195	94
1992-93	578	73	n/a	197	211	97
1993-94	612	82	n/a	210	216	104
1994-95	674	114	n/a	224	239	97
1995-96	738	110	n/a	235	282	111
1996-97	755	134	n/a	251	288	82
1997-98	732	177	n/a	259	237	59
1998-99	819	306	n/a	290	173	50
1999-00	821	208	n/a	305	264	44
2000-01 ⁴	649	222	n/a	188	195	44
2001-02	627	415	n/a	22	150	40
2002-03	643	506	n/a	6	97	34
2003-04	674	586	n/a	2	60	26
2004-05	661	626	n/a	0	13	22
2005-06	779	751	n/a	0	2	27
2006-07	859	830	n/a	0	0	29
2007-08	918	898	n/a	0	0	20
2008-09	967	890	56	0	0	21
2009-10 ⁵	1,026	902	105	0	0	19
2010-11 ⁵	1,101	962	119	0	0	20

June 2011

¹ The basic rate of income tax dropped from 22 per cent to 20 per cent on 6 April 2008. Charities receive compensation, through public expenditure, for the associated reduction in Gift Aid repayments. This compensation runs for three years and applies to all donations made between 6 April 2008 and 5 April 2011.

² Payment of tax credits to charities on dividends of United Kingdom companies was abolished for dividends paid on or after 6 April 1999. However, charities received compensation, through public expenditure, for the loss of tax credits. This compensation took the form of a transitional relief payment to a charity of a percentage of the dividends it received and was phased out over a five year period. Estimates of repayments relating to the 10 per cent payroll giving supplement which ran from 2000-01 to 2003-04 are also included here.

³ Includes royalties.

⁴ Following Budget 2000, company donations are paid gross and do not involve tax repayments and hence are excluded.

⁵ Provisional



Notes

1. The above table summarises information provided by charities when submitting claims for repayment of basic rate income tax and payments of tax credits on dividends from UK companies to the HM Revenue and Customs.

2. Repayments are shown in the year in which they were made. This table shows the amounts paid (including transitional relief) or repaid to charities by HM Revenue and Customs in respect of claims for tax deducted and tax credits from: (1) investment income; (2) income received under deeds of covenant; and (3) Gift Aid donations.

3. Tax relief for donations made under a deed of covenant are, from April 2000, included under Gift Aid. The value of covenants has declined to zero as new and renewed covenants were counted under Gift Aid.

4. In the published volume, royalties were included under Gift Aid prior to 1999/2000. These have been removed and added to 'Income received under deduction of tax' so that the series are consistent over time. This category also includes loan interest, interest on government securities and local authority bonds and building society interest (paid net of basic rate tax).

Howard Turner
 KAI Personal Taxes
 HMRC
 Room 2/67
 100 Parliament St
 London SW1A 2BQ
 Tel: 0207 147 3046
 Email: howard.turner@hmrc.gsi.gov.uk