

# Is my charity a trust or a company?

This is important because it affects:

- how HMRC calculates any interest on your repayment;
- the time limits for claiming and keeping your records.

Whether your charity is a trust or a company depends on how it was set up.

For tax purposes:

- a charity set up in the UK under a will or a formal Deed of Trust is a trust;
- all other charities and Community Amateur Sports Clubs (CASCs) in the UK are treated as companies;
- for charities and CASCs outside the UK the situation is more complex. Go to the HMRC website for more guidance.

A trust is dealt with under the Income Tax rules. A company is dealt with under the rules for Corporation Tax.

## If your charity or CASC is a company

The important date for tax purposes is the date to which you prepare your annual accounts. You will be asked to enter this date on the Gift Aid claim form.

## If your charity is a trust

The important date is 5 April (the end of the tax year), and this is the date you should put on the form.

**Toolkit tip:** The toolkit includes a Gift Aid claim form with built-in help to make sure that you pick the right date and enter it in the correct box.

## Trustees

All charities have trustees, but this does not mean that the charity is a trust for tax purposes. The trustees are the charity officials who have responsibility for the actions of the charity and how its funds are used.

'Trustee' is a legal term, and your trustees may be known by other titles such as governors or directors.

Where Gift Aid is concerned, trustees are responsible for making sure that a charity:

- only claims Gift Aid on donations that meet all the requirements of the Gift Aid scheme;
- holds a Gift Aid declaration for every Gift Aid donation (see Help sheet 5);
- keeps records that show the link between the donor, the donation and the Gift Aid claim (see Help sheet 2); and
- uses all of its Gift Aid and other income for the charitable purposes for which it was set up.

