

Gift Aid and the Covenant Scheme

St Bride's is part of the Diocese of Motherwell, which is a registered Scottish charity. All churches in the Diocese can reclaim tax through the GiftAid scheme, which applies both to weekly collections and donations. But we can only reclaim tax on behalf of parishioners who sign up for the Covenant Scheme.

We have about 175 parishioners registered in our Covenant Scheme – just over 90 parishioners use envelopes for their weekly collections and a further 82, who pay bank standing orders, are also in the Covenant Scheme. The numbers drop year by year as parishioners move, cease to pay tax or die. Any taxpayer can sign up.

How the Scheme works?

We can reclaim the basic rate tax that has already been paid on money that is contributed. This means if a taxpayer contributes £4, it is worth £5 to St Bride's. If you pay tax at higher rates, you can also obtain an offset against your tax bill. So, if you pay tax at 40%, your contribution of £40 is worth £50 to St Bride's and you can offset £10 of your tax bill.

How well are we doing?

In 2016, we received approximately £120,000 from contributions and donations. If all of this had been gift-aided, we would have been able to reclaim £30,000 in GiftAid from the Inland Revenue.

We were able to reclaim almost £13,000, which is great, but much less than we could reclaim if more parishioners joined. Not all parishioners are taxpayers and you can only join the Covenant Scheme if you are a taxpayer. But there are many taxpayers in the parish who are not in the Covenant Scheme. Being in the Covenant Scheme does not cost you anything. We are only reclaiming tax you have already paid.

How to join our Covenant Scheme?

You need to complete a form with your name, address and National Insurance Number. We need to record individual contributions, so we can make a claim from the Inland Revenue. You can use a covenant envelope for your offertory collection or you can pay by bank standing order. You can vary how much you contribute. The contribution records are maintained confidentially, using bank statements and covenant contribution envelopes (which are individually numbered) for proof to the Inland Revenue. Information about individual parishioner contributions are confidential.

Please join if you are a taxpayer – You only need to sign up once, it will not need you to increase contributions you already make and you can vary contributions as you wish. This is the easiest and least costly way to improve our Parish finances and do some more work in our parish.

Fr Rafal Sobieszuk