CAF Give As You Earn - Frequently Asked Questions

Q: Is tax reclaimed on my CAF Give As You Earn donation?
A: There is no need for tax reclamation on a CAF Give As You Earn donation. The donation is made from gross pay before any tax is ever paid by the donor. The donation lands straight in the charity’s bank account free of tax.

Q: Can I choose who to donate to?
A: Yes, and it is not only registered charities that are eligible for donations. A donor can also give to any organisation recognised by HMRC as charitable. This includes:

- churches
- health authorities
- hospitals (not private)
- Scout and Girl Guide groups
- and more!

If you are in any doubt as to whether a particular organisation is eligible, CAF will be happy to advise you.

Q: Do I have to give to the same charity every month? What happens if I want to respond to an emergency appeal?
A: If you don’t want to elect a charity in advance you can open a CAF Charity Account. You can donate tax-free sums each month into the account and then make a donation from your account whenever you please using your charity chequebook, CharityCard or online services.

Q: Is there any limit to the size of donation you can give through the scheme?
A: There is no limit, (minimum or maximum) as to how much you can donate through CAF Give As You Earn.

Q: Can a company incorporate CAF Give As You Earn within their flexible benefits scheme?
A: Yes – we have a developed a specific Flexible Benefits Payroll Guide which shows companies how to do this. Please note that flexible benefits schemes are not the same as salary sacrifice schemes. CAF Give As You Earn can not be incorporated within a salary sacrifice scheme.

Q: A donor has told me they are donating to my charity through the scheme, but why can’t I identify them on our bank statement?
A: CAF Give As You Earn donations are disbursed in total via BACS to the charity’s bank account quoting the charity’s CAF Give As You Earn number only. However for a small fee you can order CAF Give As You Earn disbursement statements from us. The statement is a list showing the breakdown of payments received each month from individual donors. A donor can also choose to remain anonymous.

Q: I have pledged to give £5 per month from my gross salary to my charity of choice, why don’t they receive exactly £5?

A: CAF generally deducts a small administration fee from each donation, unless this is paid by the employer on the donor’s behalf.

Q: What happens if my charity receives a CAF charity cheque?

A: If the charity receives a donation in the form of a CAF charity cheque simply the charity simply completes the details and send it to us. We will then pay the donation straight into your charity’s bank account. There are full details on the back of the charity cheque itself.

Here is an example of how the tax benefit works based on a monthly donation of £15:

<table>
<thead>
<tr>
<th>Taxpayers</th>
<th>Cost to employee</th>
<th>Amount charity receives as a donation</th>
</tr>
</thead>
<tbody>
<tr>
<td>20% taxpayer</td>
<td>£12</td>
<td>£15</td>
</tr>
<tr>
<td>40% taxpayer</td>
<td>£9</td>
<td>£15</td>
</tr>
<tr>
<td>45% taxpayer</td>
<td>£8.25</td>
<td>£15</td>
</tr>
</tbody>
</table>

To cover the costs of administration, CAF makes a deduction. Many companies pay this fee on behalf of their employees so that full donation reaches the charity.