

What is Payroll Giving (also known as Give As You Earn)?

Payroll Giving is the most tax efficient way for PAYE employees to make donations to any UK registered charity, good cause or place of worship directly from their gross pay.

The scheme allows employees to give regularly to charity in a cost-effective way. The employee's chosen charity also benefits by receiving regular donations without the need to claim back the tax from HM Revenue & Customs.

Payroll Giving donations are deducted after NI but before tax so everyone who is paid by PAYE is eligible for the scheme.

Tax Savings

The Payroll Giving scheme makes donations to your chosen charity directly from your salary after National Insurance contributions are calculated but before income tax is deducted. You do not pay tax on the donation, only on the remaining amount, so tax relief is given immediately on the donation. Tax relief is calculated at your highest rate of tax.

For example if you are a 20% tax payer it would only cost you £4 to make a £5 donation. If you are a 40% tax payer it would only cost you £3 to make a £5 donation to your chosen charity.

Frequently Asked Questions

1. Can I give to any charity through Payroll Giving?

Yes, you can donate to any UK registered charity, good cause or place of worship. If you want to give to a small local charity that is not well known it is advisable to include the registered charity number on your donor form.

2. Is there a minimum or maximum amount I have to give? No

3. How is Payroll Giving different to a Direct Debit (Gift Aid)?

Payroll Giving is taken straight from your gross (pre tax) pay so there is no need for the charity you choose to physically claim the tax back through Gift Aid from HM Revenue & Customs, this saves them money in administration.

If you are a higher rate taxpayer, Payroll Giving is the only way that a charity can automatically receive all your tax on your charitable donation.

4. How do I know that my donation will reach the charity I have chosen?

Anchor have signed a contract with a Payroll Giving Agency (Charities Trust), who handle all monies donated through the scheme and are regulated by HM Revenue & Customs.

The data from the donation form you fill in is sent to Charities Trust so that when Payroll sends them your first donation they know who the donation is coming from and which charity to send it on to. Anchor will not know which charities you have chosen to support.

5. If I decide to take part in Payroll Giving today how long will it be before the first deduction is taken from my pay?

This depends on when you fill in the form but as a rule it will start on the next available payroll run.

7. How do I set up my Payroll Giving donations?

Please visit <https://anchor.givingonline.org.uk/> to set up your donations. The online site provides further information and a database of hundreds of charities for you to research which cause you might like to support.

8. Can I stop giving when I want to?

Yes, please visit <https://anchor.givingonline.org.uk/> choose 'donate now' and then select 'cancel' on the donation form.

9. Can I change which charity/ies I support and the amount/s?

Yes, please visit <https://anchor.givingonline.org.uk/> choose 'donate now' and then select 'replace' or 'add' on the donation form.

10. What happens to my Payroll Giving deduction if I leave my job?

If you leave employment Payroll Giving will automatically stop.

11. If I am in receipt of a Statutory Payment will my donations continue?

As Payroll Giving is a deduction from pay and not a salary exchange arrangement, payroll giving deductions can be made from Statutory Maternity Pay (SMP), Statutory Sick Pay (SSP), Statutory Adoption Pay (SAP) and Statutory Paternity Pay (SPP). Payroll-giving donations will therefore continue even if you are receiving a Statutory Payment. You can however cancel your donations at any time.

*If you need any assistance or further guidance please ring the **Payroll Giving in Action helpline on 01271 344360** or access the live chat at <https://anchor.givingonline.org.uk/>*