Cranleys
CHARTERED ACCOUNTANTS



CRANLEYS' CLEVER CHECKLISTS · No. 26 · GAINS, PROPERTY AND ESTATES

Charitable Giving and Gift Aid Checklist 2026/27

Tick it, print it, pin it up. Every box you cannot tick is a conversation worth having.



By Colin Davison FCA, Managing Partner, Cranleys Chartered Accountants. In practice since 1998. Reviewed 15 November 2026 against the 2026/27 rules.

THE QUICK ANSWER

Gift Aid lets a charity claim 25p for every £1 you give. Higher and additional rate taxpayers claim the extra relief on their return. Gifts of shares or land to charity can be free of capital gains tax and give income tax relief. Leaving 10% of your net estate to charity cuts the inheritance tax rate to 36%.

THE KEY FIGURES

2026/27 figure	Amount
Charity claim	25p per £1 given
Higher rate extra relief	20% of the gross gift
Additional rate extra relief	25% of the gross gift
Gift Aid carry back	to the previous tax year, by the filing date
Inheritance tax rate	36% if at least 10% goes to charity
Small Donations Scheme	gifts up to £8,000, top up of £2,000

The checklist, box by box

	The check	What to do	Keep as evidence
☐	**Are Gift Aid declarations valid?**	The donor must be a UK taxpayer paying enough tax to cover the claim, and must sign a declaration.	Declaration copies
☐	**Is higher rate relief claimed?**	On a £1,000 gift, the charity gets £1,250 and a higher rate donor claims £250 back.	Return entry
☐	**Is the gift carried back where useful?**	You can elect to treat the gift as made in the previous tax year, before filing.	Election
☐	**Shares or land?**	No capital gains tax, plus income tax relief at market value. Keep a valuation.	Valuation, transfer paperwork
☐	**Is the 36% inheritance tax rate considered?**	At least 10% of the net estate to charity cuts the rate on the rest.	Will, estate calculation
☐	**Is the Small Donations Scheme used?**	Small cash donations can attract a top up without declarations.	Charity records

Cranleys is a trading style of Cranleys Partnership LLP, registered in England OC358781. Winton House, Winton Square, Basingstoke RG21 8EN · 01256 830000 · www.cranleys.online



MY PRO TIP

higher rate taxpayers claim the extra relief themselves.

A worked example

An additional rate donor gives £8,000. The charity claims £2,000, so £10,000 reaches the charity. The donor claims £2,500 through the return, which is 25% of £10,000. The net cost is £5,500 for £10,000 of charitable giving.

The trap to avoid

Claiming Gift Aid when you have not paid enough tax. HMRC recovers the shortfall from the donor.

Test your accountant

One question that tells you if you have the right adviser:

Which way of giving is most tax efficient for me, cash, shares or a legacy?

What has changed recently

- Gift Aid also lowers adjusted net income. See the income tax checklist.
- Legacies can lower the rate of inheritance tax. See the inheritance tax checklist.
- Pension payments and Gift Aid both reduce the child benefit charge. See the Child Benefit checklist.

Questions I get asked

How does Gift Aid work?

You give from taxed income, the charity reclaims 25p for each £1, and higher rate taxpayers claim extra relief.

Can I give shares to charity tax free?

Yes. No capital gains tax arises, and you can claim income tax relief on the market value.

What is the 36% inheritance tax rate?

A reduced rate applies where at least 10% of the net estate is left to charity.

Can I carry back a Gift Aid donation?

Yes, to the previous tax year, if you elect before filing that year's return.

The 9 CAD Keys link: Alignment

Alignment means your giving reflects your values, your plan and your tax position. The best gift is one that fits all three.

Colin's 9 CAD Keys. CORE: Clarity, Capability, Consistency. ADVANCED: Analysis & Positioning, Alignment, Acceleration. DYNAMIC: Differentiation, Dexterity, Development. Score each key 1 to 5 in the free Business Value Assessment Scorecard, total out of 45. *Freedom is built. One CAD Key at a time.*

Tick these next

Tax checklist 01
Income Tax and Personal Allowance Checklist 2026/27

Tax checklist 08
Inheritance Tax Checklist 2026/27: Nil-Rate Bands and Gifts

Tax checklist 21
Child Benefit and High Income Charge Checklist 2026/27

Cranleys is a trading style of Cranleys Partnership LLP, registered in England OC358781. Winton House, Winton Square, Basingstoke RG21 8EN · 01256 830000 · www.cranleys.online

Go deeper: my books

For this topic, start with **Inheritance Tax Secrets**, part of The Cranleys Business and Tax Secrets Series: Property Tax Secrets, Inheritance Tax Secrets, Business Tax Secrets, Starting Up Secrets, Business Growth Secrets and Business Exit Secrets. The books are launching soon. Join the launch list at cranleys.online/books and I will tell you the moment each one is released.

YOUR NEXT STEP

Ring me. Free draft plan, no hard sell.

I will build you a free draft tax plan or business plan on my 9 CAD Keys: a scorecard, a 12-month cashflow forecast, a 90-day action plan and a review with me. **1** Get in touch. **2** Short intro call. **3** Your free draft plan in plain English. You decide what happens next.

A generous nest is a tidy nest.

WhatsApp 07999 900000 | **Office** 01256 830000
Email colin.davison@cranleys.co.uk
Web cranleys.online

Scan to read online, tick it on screen and take the Scorecard



General information on UK tax only, not advice for your specific circumstances. Tax rules change. Free draft plans are offered at my discretion and subject to availability; putting a plan into effect is chargeable. Cranleys is a trading style of Cranleys Partnership LLP, registered in England and Wales (OC358781). Registered office: Winton House, Winton Square, Basingstoke RG21 8EN. © Colin Davison FCA, Cranleys Chartered Accountants.