



## Guidance Notes for completion of Annual Certificate

The Charitable Donation Scheme operates under the provisions of section 848A Taxes Consolidation Act (TCA) 1997. This section provides for a uniform scheme of tax relief for donations to approved bodies.

The legislation provides that donors who are PAYE or self-assessed may also donate their personal tax relief in respect of charitable donations to the charity / approved body, should they wish to do so.

For the purposes of the Charitable Donations Scheme (CDS) a donation is grossed up at the rate of 31%.

The approved body is deemed to have received the grossed-up amount net of tax deducted.

It is important to note that a donor is not entitled to a repayment of any part of the tax that has been repaid to the approved body under this scheme. This includes claims for tax relief for medical expenses.

See example.

### Example

Joan makes a cash donation of €1,000 to an approved body in the tax year 2022. Under this scheme the body is deemed to have received a donation of €1,449.27 (€1,000 grossed up at 31%) less tax deducted of €449.27.

Joan has signed an Annual Certificate to allow her tax relief to be donated to the charity.

If Joan has paid income tax for 2022 of at least €449.27, the approved body can obtain a refund of that amount. This can be claimed after the end of the tax year 2022.

The amount repaid to an approved body cannot exceed the amount of tax paid by the donor for the year in question. If Joan's income tax liability for 2022 is €350, and she has paid this amount, the repayment to the approved body is restricted to that amount.

**Joan is not entitled to a repayment of any part of the tax that has been repaid to the approved body.**

**For example, if Joan had medical expenses in 2022 but has already submitted an Annual Certificate she can only obtain income tax relief on the amount of tax she paid, minus the tax relief repaid to the approved body.**

## 1. Approved bodies

The following are approved bodies for the purposes of the scheme of tax relief for donations:

- an eligible charity, i.e. any charity which is authorised by the Revenue Commissioners to operate this tax relief scheme;
- educational institutions or bodies whether primary, second level or third level, as described in Part 1 of Schedule 26A TCA 1997;
- a body approved by the Minister for Finance for education in the arts, as set out in Part 2 of Schedule 26A TCA 1997;
- organisations that promote human rights as detailed under section 209 TCA 1997.

A list of resident and non-resident charities authorised for the purposes of the CDS is available at

<https://www.revenue.ie/en/companies-and-charities/charities-and-sports-bodies/charitable-donation-scheme/index.aspx>.

## 2. Annual Certificate

You are not obliged to complete an Annual Certificate in respect of your donations. If you choose to donate your tax relief, you can complete an Annual Certificate in respect of some or all of the approved bodies to which you make donations. This certificate is valid for a period of one year. You can cancel it before the end of that period. As indicated above, any relief claimed by the charity may not subsequently be claimed by the donor through other tax relieving measures (for example, for medical expenses).

## 3. Renewal and cancellation of an Annual Certificate

The approved body may contact you about renewing your certificate. Alternatively, you can advise the body in question to renew it. If you wish to cancel your certificate, you must notify the approved body.

#### 4. Thresholds for tax relief purposes on the amounts donated

The limits noted on page 1 apply solely for the purposes of tax relief on your donations. They do not impose any restrictions on the amount you can donate to an approved body.

#### 5. Donations of “designated securities” (quoted shares or debentures)

In the case of a donation of ‘designated securities’ to a charity, the donor must have paid the relevant capital gains tax on the disposal, as well as sufficient income tax in order for the charity to claim full tax relief on the donation. (NB – the relief cannot be claimed against any capital gains tax liability, only against an income tax liability)

\*Designated securities are quoted shares and debentures.

#### 6. Association with an approved body

You are associated with an approved body if at the time you make a donation you are an employee or member of that body, or of another approved body associated with the former. One approved body is deemed associated with another approved body if it could reasonably be considered that:

- the activities carried on by both bodies are or can be, directed by the same person or by broadly the same group or groups of persons, or
- the same person or broadly the same group or groups of persons exercise or can exercise control over both bodies.

The aggregate of your donations in a tax year to all approved bodies with which you are associated cannot exceed 10% of your total income for that year. The amount of those donations that exceed the 10% limit are not considered relevant donations. Tax relief is not available on that excess amount.

#### Further Information

You can obtain further information on the Charitable Donations Scheme from:

Revenue website <https://www.revenue.ie/en/companies-and-charities/charities-and-sports-bodies/charitable-donation-scheme/index.aspx>

Telephone: 01 738 3688

Email using MyEnquiries which is available in ROS or [myAccount](#)

The information in this document is provided as a guide only and is not professional advice, including legal advice. It should not be assumed that the guidance is comprehensive or that it provides a definitive answer in every case.

The Revenue Commissioners collect taxes and duties and implement customs controls. Revenue requires customers to provide certain personal data for these purposes and certain other statutory functions as assigned by the Oireachtas. Your personal data may be exchanged with other Government Departments and agencies in certain circumstances where this is provided for by law. Full details of Revenue’s data protection policy setting out how we will use your personal data as well as information regarding your rights as a data subject are available on our **Privacy** page on [www.revenue.ie](http://www.revenue.ie). Details of this policy are also available in hard copy upon request.