



GIFTS OF APPRECIATED SHARES AND SECURITIES

Have you considered making a donation of shares to The Bourne Academy?

If you own shares (whether a small holding or large portfolio) and would like to take advantage of the tax relief available in relation to charitable giving, you might wish to consider supporting the school in this way.

TAX RELIEF ON GIFTS OF SHARES

Capital Gains tax relief

Charitable gifts of shares are not liable to capital gains tax, which is applicable if shares that have appreciated in value are sold. Capital gains tax relief is simply the absence of the need to pay tax on the part of the charity or the donor. Its value will depend on a number of factors, including:

- Current capital gains tax rates and allowances
- The nature of the equity donated
- The value of the shares when they were acquired
- Any subsequent change in the shares' value

Inheritance tax relief

Inheritance tax is not charged on gifts to charity. Again, this relief is an absence of the need to pay tax.

Stamp duty relief

Stamp duty is not payable when shares are donated to charity. This relief is also an absence of the need to pay tax.

Income tax relief

Income tax relief was introduced on gifts of shares to charity in April 2000. It allows individual donor to offset the full value of their gifts of shares against their income tax liability in the same fiscal year, through the self assessment system. In other words, this form of relief acts as a rebate to the donor. It applies to:

- Shares and securities listed or dealt in on a recognised stock exchange, whether in the UK or elsewhere, including the Alternative Investment Market
- Units in authorised unit trusts
- Shares in UK open ended investment companies
- Holding in certain foreign collective investment schemes
- Any incidental costs of disposing of the shares

Corporation tax relief

Corporation tax relief was also introduced on gifts of shares to charity in April 2000. It allows corporate donors to offset the full value of their gifts and shares against their tax liability through the corporation tax returns. Like income tax relief, it takes the form of a rebate to the donor and it applies to the same range of gifts.

The business director; Caroline Gobell, is available to discuss in more detail any of the points outlined above:

The Bourne Academy
Hadow Road
Bournemouth
Dorset
BH10 5HS
Tel: 01202 528554

Caroline.gobell@thebourneacademy.com