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## Tax Effective Giving

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### TAX-EFFECTIVE GIVING

We all know that Gift Aid makes donations go further, but Gift Aid is not the only way of donating tax-effectively. It is worth having a basic knowledge of the other methods that donors can use to help charities and receive a benefit themselves!

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### PAYROLL GIVING

Payroll Giving is a scheme that allows individuals to give directly through their pay from their pre-tax salary, which actually costs them less! For example, a £10 donation will only cost the donor £8 (if they are a basic rate taxpayer) and £6 (if they pay tax at the higher rate).

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### GIFTS OF SHARES

Donors can make significant gifts to charity through donating shares and can claim relief on these gifts at their highest rate of tax, potentially reducing their overall income tax bill, making it an extremely effective way for some donors to give.

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### LEGACY GIVING

By leaving a gift to charity in your will, it allows a donor to leave a footprint into the future. All charitable legacies are free from inheritance tax, and leaving a gift to charity in a will can reduce the overall tax due on estates above the inheritance tax threshold.

For more information on any of these methods, helpful downloads and much more is available at [www.taxeffective-giving.org.uk](http://www.taxeffective-giving.org.uk)

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This know-how sheet was written by the [Institute of Fundraising](#).