



HM Revenue
& Customs

Charity Tax Relief Statistics User Consultation

Summary of Responses
August 2015

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1. Executive Summary

Summary of Key Points

- We will be consolidating our Charity Tax Relief statistics into a single annual publication in June each year.
- We will devote some of the resources saved by the consolidation into the reintroduction of further distributional analysis of higher rate relief on Gift Aid into the National Statistics publication. This analysis will appear in the next annual publication in June 2016.
- We will investigate whether it is feasible to provide any of the additional statistical information that users requested during the consultation.

2. Introduction

Background

Her Majesty's Revenue and Customs (HMRC) currently publish Charity Tax Relief Statistics covering the majority of tax repayments to charities in the UK.

HMRC publishes these statistics three times a year. The releases cover the different types of tax reliefs payable to charities and to individuals.

The main publication is normally published in June each year. This is where all of the figures for the most recent tax year are published in the corresponding tables and the commentary document is updated to reflect the latest trends. All of these statistics are available on the [gov.uk website](https://www.gov.uk).

For publications in December and April, we use provisional data to provide in-year projections for the current tax year. These projections are eventually revised in the main June publication once the tax year has finished.

A user consultation was established to identify whether the December and April publications are a justifiable use of resources since they take a very considerable amount of time to produce. The consultation also sought to identify the needs of our users and to gain feedback on our publication of these charity tax relief statistics.

The consultation ran from 6th February 2015 until 10th April 2015. There were 24 responses to the consultation and this report summarises the results.

Aims of the Consultation

The consultation had two main aims:

- Firstly, the consultation examined what the impact on our users would be of consolidating the Charity Tax Relief Statistics into a single annual publication.
- Secondly, it sought to identify the needs of our users and gain feedback on their experiences, with a view to identifying any areas where we could improve our statistics in the future.

Consultation Survey

The survey covered two sections:

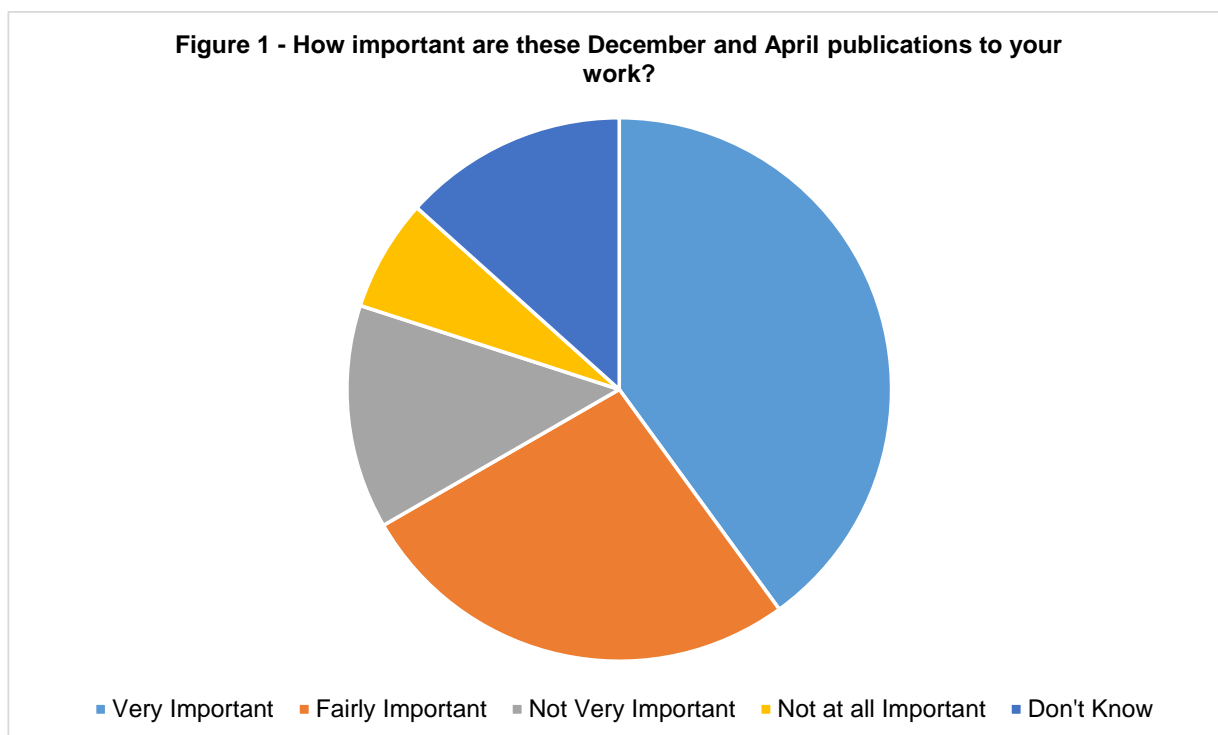
1. The first section focussed on the potential impact of the proposed timetable changes – whether users were aware that we currently publish statistics three times a year (as opposed to the typical HMRC practice of once a year), what the impact on them and their work would be if we consolidated our National Statistics into a single annual publication, and when the best time would be for them for these statistics to be published.
2. The second section asked users about their experiences – which tables of the publication they use, how often they use them, and for what purpose they use them.

3. Responses

We had 24 responses to our survey. Due to the way that we conducted the survey, all responses were anonymous, so we have no information regarding which individuals responded and which organisations were represented. However, we invited over 150 organisations in the Charity sector through various mediums, and are content that we gave all interested parties an opportunity to respond.

Proposed Changes

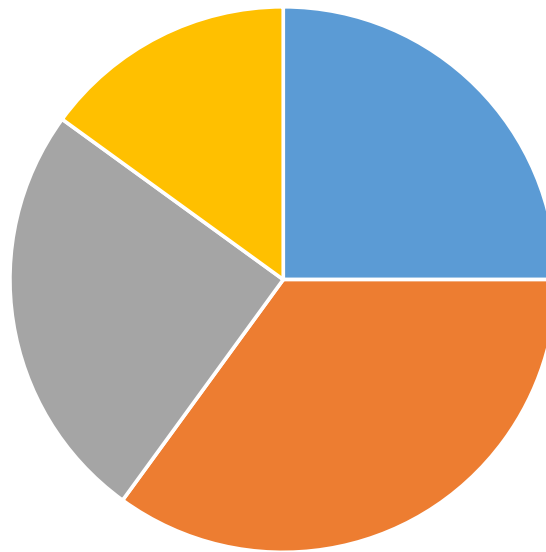
Overall, of those who responded to the survey, 71% were aware of the additional December and April publications. As Figure 1 indicates, of those individuals who were aware, 40% of them found the additional publications very important. 27% of respondents found these publications fairly important, whilst 20% of respondents found these publications either not very important or not at all important. 13% of respondents did not know how important these publications were to their work.



Many respondents indicated that the additional publications were very important for their work. However, these were not a majority and, in some cases, apparently contradictory response to other questions (see below) seem to suggest a lower level of importance.

As Figure 2 below shows, 35% of respondents stated that the consolidation of our statistics into a single annual publication would have a minor negative impact on their work. 25% of respondents felt there would be a major negative impact on their work, whilst 25% felt there would be no impact on their work. 15% of respondents did not know what the impact on their work would be.

Figure 2 - What would be the impact to your work if we withdrew these December and April publications?



■ No Impact ■ Minor Negative Impact ■ Major Negative Impact ■ Don't Know

This suggests that consolidating our National Statistics into a single annual publication would not have a major negative impact on the majority of our users. Indeed, many respondents to the consultation supported this approach. In the free comments section at the end of the consultation, one user stated that “consolidating [the statistics] into one release per year would make it [the publication] more coherent and straightforward.” Another acknowledged that “in the midst of government spending cuts there is significant pressure on HMRC’s budget” and understood that “statistical services will be under review.”

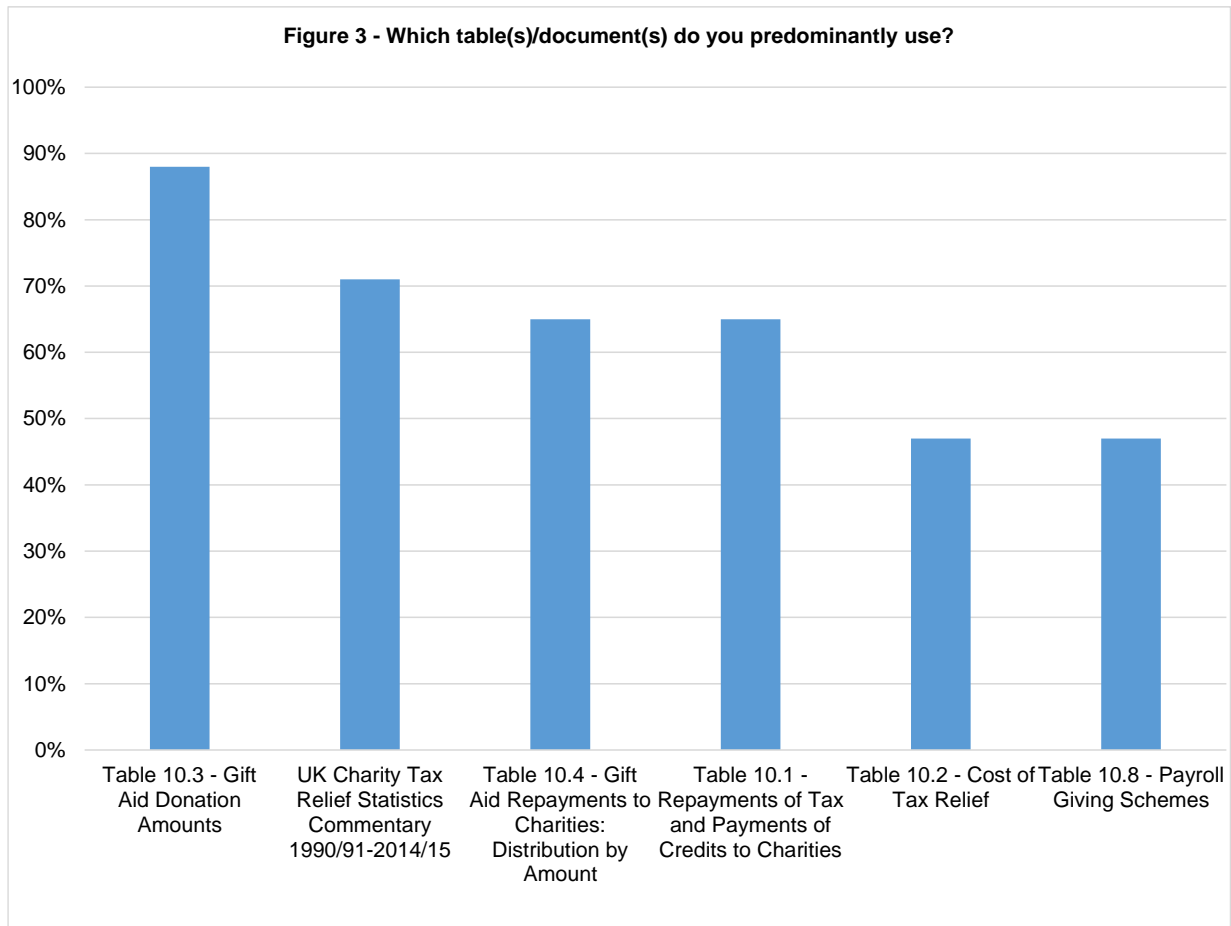
By contrast, a minority of other respondents did not support this approach, and felt that the consolidation of our statistics into a single annual publication would have a major negative impact on their work. However, when looking at individuals’ responses to the consultation, a number of contradictions are apparent. There were a number of respondents who stated in Question 2 that the December and April publications were “very important” to their work, and yet responded in Question 3 that if we withdrew these December and April publications, there would only be a “minor negative impact” on their work. Similarly, there were a number of respondents who stated in Question 2 that they “didn’t know” how important the December and April publications were to their work, but responded to Question 3 that there would be a “major negative impact” if we withdrew them. This suggests that the scale on which respondents judged the importance of their work and the impact that our proposed consolidation would have was not consistent across individuals.

In terms of the best time of year for HMRC to publish this consolidated annual publication, 53% of respondents were content for us to continue to publish our statistics in June each year. Of the small number of individuals who preferred other months, July and December were the most popular, with each being favoured by

37.5% of those respondents. More than one option could be selected when answering this question.

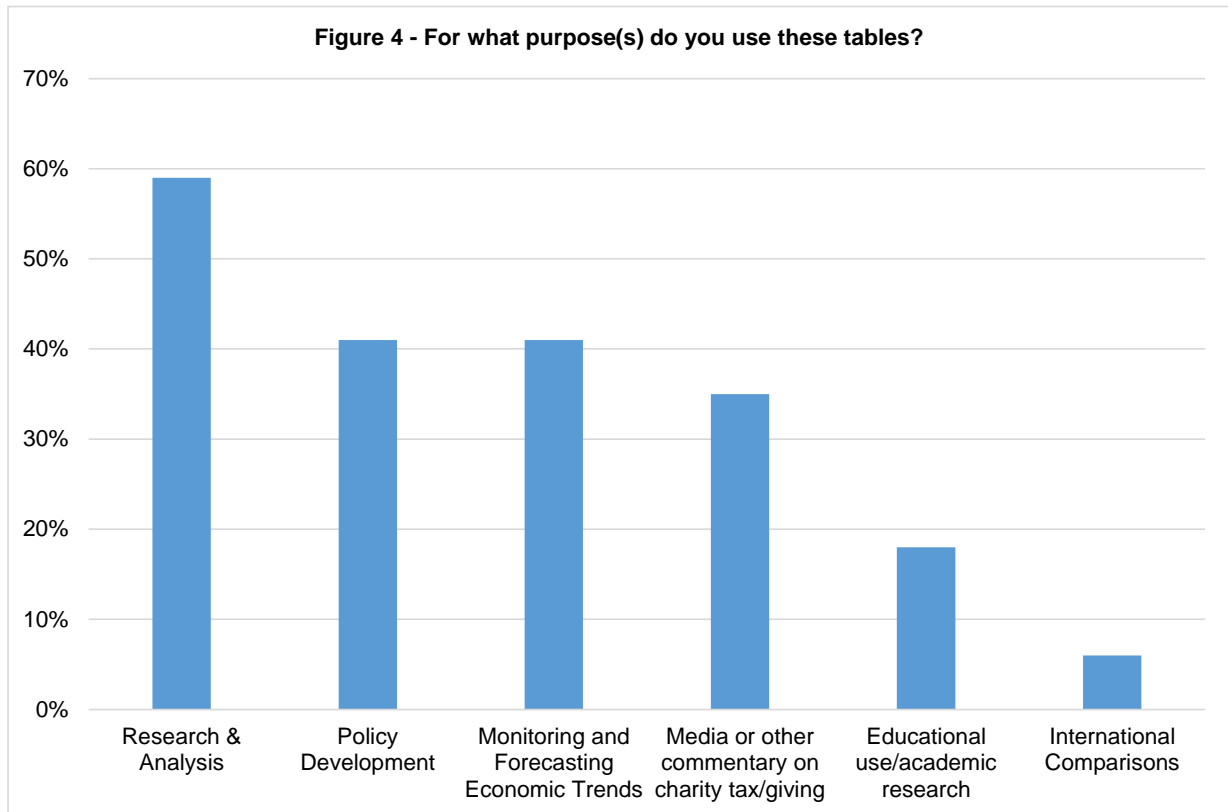
User Experiences

Figure 3 below shows which published tables respondents predominantly use.



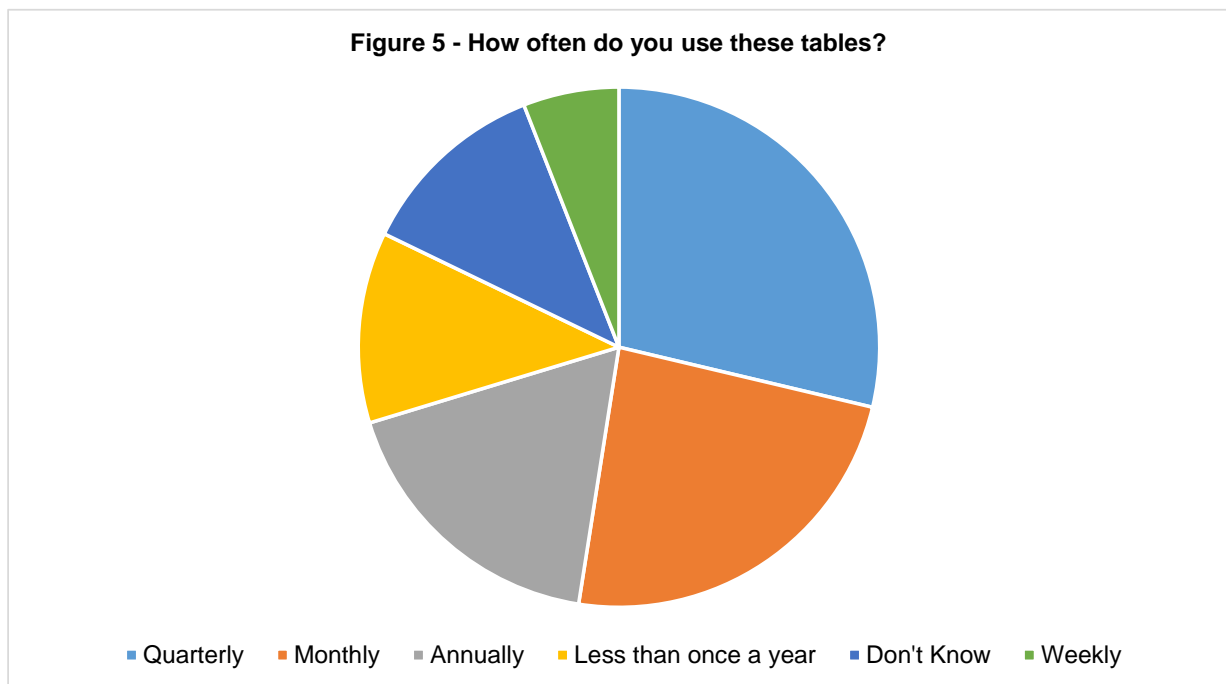
It is clear from this figure that Table 10.3 is used the most regularly, with 88% of respondents stating that they used it. The UK Charity Tax Relief Statistics Commentary document was also used frequently, with 71% of respondents stating that they used it. Interestingly, only 47% of respondents stated that they use Table 10.2, which details the cost to government of providing tax relief to charities. More than one option could be selected when answering this question.

Figure 4 below highlights for what purpose(s) respondents use our published statistics.



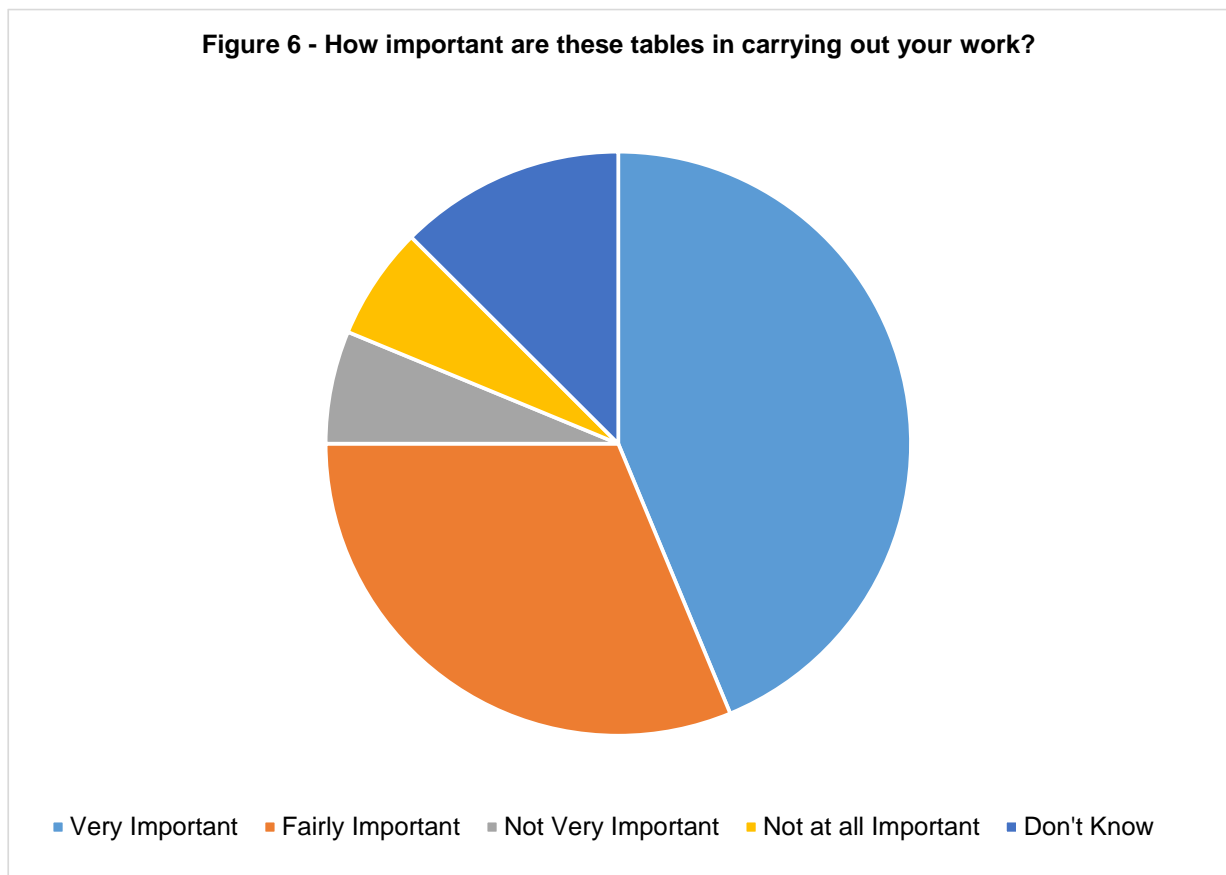
As is clear from the figure, the majority of respondents (59%) used our statistics for wider research and analysis within an organisation. Only 6% of respondents stated that they used these statistics for international comparisons. More than one option could be selected when answering this question.

Figure 5 below shows the frequency with which respondents referred to the tables.



From this, it is clear that 29% of respondents look at our data on a quarterly basis. The next largest categories are for those respondents that use our tables monthly and then annually, which accounted for 24% and 18% of respondents respectively. According to the consultation results, 12% of respondents use our statistics less than once a year, whilst 6% of respondents use our statistics weekly.

In terms of how important these tables are more generally in helping users carry out their work, 44% of respondents stated that these tables were very important for their work, as Figure 6 below indicates.



As some of our users may be aware, we previously carried out a Charity Tax Statistics Consultation in March 2012. After receiving feedback from users, a number of changes were made to the statistics designed to improve and enhance them for users. Interestingly, the majority of users (60%) were *not* aware of these changes, which suggests that some different users responded to this consultation than responded to the previous consultation, who we informed about the previous consultation's results and action points. However, more encouragingly, 86% of those respondents who were aware of these improvements found them fairly useful.

Our final multiple choice question concerned Tables 10.5, 10.6 and 10.7, which we last published in June 2006. These tables broke down the higher rate relief on Gift Aid claimed by higher rate taxpayers, set out their characteristics and provided a breakdown of the average size of their donations. Overall, 87% of respondents stated that they would be interested in seeing these tables reintroduced into the charity tax relief statistics publication, an overwhelmingly positive response.

4. Next steps

Future Changes

This section aims to set out our plans for the future.

Based on the limited impact on our users as per the consultation responses, we will be consolidating our national statistics publications to a single annual publication in June.

Furthermore, based on the overwhelming number of respondents who were interested in seeing the reintroduction into the publication of further distributional analysis of higher rate relief on Gift Aid claimed by higher rate taxpayers, we will be including this analysis in future National Statistics publications, the next one being in June 2016.

In the future, respondents to the survey suggested that users would like to see more information regarding:

- The total number of Gift Aid and Gift Aid Small Donation Scheme claims made by charities;
- The total number of charities claiming each of the charitable tax reliefs;
- A breakdown of charities claiming each of these reliefs by organisation size;
- The average size of donations claimed for Gift Aid and the Gift Aid Small Donations Scheme, broken down by organisation size;
- The average amount of non-domestic business rate relief claimed by charities;
- The number of charitable tax reliefs claimed by charities, broken down by region; and
- The total number of charities claiming for Inheritance Tax Relief and the number of legators involved.

We will investigate whether it is feasible to provide any of this data.

Annex A: Consultation Questions

Aim 1: Proposed Changes

1. The main publication date of the Charity Tax Relief Statistics is in June each year. This is where we publish the most up-to-date statistics for the preceding tax years. In December and April, we publish provisional data to provide in-year projections for the current tax year. Were you aware of these additional December and April publications?
 - a. Yes
 - b. No

2. If you answered yes to the above question, how important are these December and April publications to your work?
 - a. Very important
 - b. Fairly important
 - c. Not very important
 - d. Not at all important
 - e. Don't know

3. We are proposing to reduce the frequency of publishing the Charity Tax Relief Statistics to once a year, withdrawing the December and April publications. What would be the impact to your work if we withdrew these December and April publications? Please select one option.
 - a. No Impact
 - b. Minor Negative Impact
 - c. Major Negative Impact
 - d. Don't Know

4. As mentioned earlier, the main Charity Tax Relief Statistics publication is in June each year. From the perspective of your work, is this the best time of the year for us to publish these statistics?
 - a. Yes
 - b. No
 - c. Don't Know

5. If you answered no to be previous questions, in which month of the year would you ideally like these statistics to be published? Please select three options from the following list.
 - a. January
 - b. February
 - c. March
 - d. April
 - e. May
 - f. June
 - g. July
 - h. August
 - i. September
 - j. October

- k. November
- l. December
- m. Not applicable

Aim 2: User Experiences

6. Which table(s)/document(s) do you predominantly use? Please select all those that apply to you.
- a. UK Charity Tax Relief Statistics Commentary 1990/91-2014/15
 - b. Table 10.1 – Repayments of Tax and Payments of Credits to Charities
 - c. Table 10.2 – Cost of Tax Relief
 - d. Table 10.3 – Gift Aid Donation Amounts
 - e. Table 10.4 – Gift Aid Repayments to Charities: Distribution by Amount
 - f. Table 10.8 – Payroll Giving Schemes
7. For what purpose(s) do you use these tables? Please select all the options that apply to you/your organisation.
- a. Policy Development
 - b. Research & Analysis
 - c. Monitoring and Forecasting economic trends
 - d. Media or other commentary on charity tax/giving
 - e. International Comparisons
 - f. Educational use/academic research
 - g. Other (please state)
8. How often do you use these tables? Please select one option.
- a. Weekly
 - b. Monthly
 - c. Quarterly
 - d. Annually
 - e. Less than once a year
 - f. Don't Know
9. How important are these tables in carrying out your work? Please select one option.
- a. Very important
 - b. Fairly important
 - c. Not very important
 - d. Not at all important
 - e. Don't Know
10. Since the last Charity Tax Statistics Consultation conducted in March 2012, a number of changes designed to improve the statistics have been made. Were you aware of these changes?
- a. Yes
 - b. No
11. If you answered yes to the previous question, how useful have these changes been to your work?
- a. Very useful

- b. Fairly useful
- c. Not very useful
- d. Not at all useful
- e. Not applicable
- f. Don't Know

12. If you found any of the changes useful, please describe the specific change(s) in the box below. Please do not include any information which could be used to identify you or your organisation in your response.

13. We used to produce three other tables: Tables 10.5, 10.6 and 10.7. These broke down Gift Aid payments by higher rate taxpayers, as well as by higher rate taxpayer characteristic and donation size. Would you be interested in seeing these tables added back into the charity tax relief statistics publication?

- a. Yes
- b. No
- c. Don't Know

14. We are always looking at ways to improve our statistics. If you have any suggested improvements to the statistics, please describe them in the box below. Please do not include any information which could be used to identify you or your organisation in your response.

15. Are there any other statistics or data items related to charity tax that you would find useful, but that are not included in these tables? Please give your answer in the box below. Please do not include any information which could be used to identify you or your organisation in your response.

16. We are very keen to hear the thoughts of our users, and both welcome and encourage feedback. If you would like to make any further comments on our statistics or statistical review, please make them in the box below. Please do not include any information which could be used to identify you or your organisation in your response.

Conclusion

Thank you for participating in our consultation. Once the consultation has finished, we will publish a response document on the gov.uk website.