



A GUIDE TO PAYROLL GIVING

Payroll giving, what is it?

Payroll Giving is a flexible scheme run through HMRC which allows anyone who pays income tax to give regularly and on a tax free basis to the charities and good causes of their choice.

Every employer no matter of the size of the business or industry type can offer their employees Payroll Giving as an option.

Simple to run and easy to set up, Payroll Giving provides charities with a regular income and gives employees a tax break on the donations they make.

How does it work?

The donation is taken from gross pay and before income tax is deducted. The table below highlights the benefits to the donor and the charity according to tax rates:

Donor pledge	As a 20% tax payer you pay	As a 40% tax payer you pay	As a 45% tax payer you pay	The charity receives
£5.00	£4.00	£3.00	£2.75	£5.00
£10.00	£8.00	£6.00	£5.50	£10.00
£50.00	£40.00	£30.00	£27.50	£50.00

What are the benefits?

There are benefits of Payroll Giving for both the employer and employee.

Employer Benefits:

- Shows commitment to your employees.
- Improves staff morale and motivation.
- Support good causes.
- Simple to set up and easy to run.
- Cost-effective with no set-up fees.
- Boosts your CSR profile and public image.
- Recognition via quality marks and awards.

Employee Benefits:

- Easy and convenient—straight from their pay.
- Tax-effective—it costs less to give more.
- Supports the causes they care about.
- Flexible—control over how much they want to donate and to which causes.

What are the costs?

There are no set-up costs for employers. The administration charges are low and are per donor, per month, regardless of the value of donation. The employer can choose to cover this cost or have it deducted from the donations. The employer may also choose to match fund their employees donation.

Getting started

Getting started is easy and is completed in 5 steps:

- 1 - The employer must first register with an HMRC approved Payroll Giving Agency (PGA) such as Charities Trust, Charities Aid Foundation and Charitable Giving.
- 2 - Once registered employers should promote the scheme to its employees, the PGA could support this activity. The dedicated RNRMC Payroll Giving team would be delighted to visit you and promote the scheme to employees.
- 3 - Employees complete their sign-up forms and pass to the payroll administrator who will then forward the information to the chosen PGA.
- 4 - On each payroll run, the payroll administrator sends details of deductions by secure portal or email and makes one payment directly to the PGA.
- 5 - The giving begins, the PGA will distribute funds to the casues selected by the employee.

FACT

It costs less to give more. If an employee donates £10 per month, they only pay £8 or £6 from their net pay, depending on their tax rate. The charity receives £10. Win-win.

About us

For over ten years, the Royal Navy and Royal Marines Charity (RNRMC) has been the principal charity of the Royal Navy. As a world class grantmaking charity, the RNRMC has distributed over £51 million to help ensure that sailors, marines and their families remain supported, for life.

The RNRMC raises vital funds for those in the naval service who need support after injury, bereavement or illness, whether currently serving or naval veterans. The funds raised by the RNRMC are distributed to over 30 frontline charities, ensuring that vital support is provided to where the need is greatest.

Throughout the last decade, the RNRMC has donated over £16 million to improve the lives of serving personnel whether it's enhanced working environments, funding team building activities, family days or community events.

The charity remain just as focused on their support of the veteran community as they are on the frontline. It has contributed over £25million to support both elderly and working age veterans in addition to looking after the partners, families and children of those currently serving.

By supporting the Royal Navy and Royal Marines Charity you are helping us support the whole naval service family. Thank you!



FURTHER INFORMATION

If you require any more information regarding Payroll Giving or would like to invite a member of the RNRMC team onto your premises to talk to employees please get in touch:

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