Guidance Note: Fit and

1. Use of a declaration for

A charity or CASC should give a each "manager" to sign before to on file. It should not send it to enquiry into the tax status of the

Meaning of "fit and pro

There is no definition in the Declaration is based on HMRC and proper person". (You will f "Declaration for Fit and Prope Guidance Notes and Documents

The Charity Commission may of charity, but that will not render proper person" is solely for H regulator. However, HMRC does or CASCs whether its "managemanagers are "fit and proper per the contrary.

HMRC will expect charity truste consideration to the suitability o charity, where they are able to for the charity to decide how it o suitability of "managers", and that

Some charities or CASCs ma Alternatively, a charity or CASC HMRC's Fit and Proper Person and Proper Persons (Trustees a is to enable it to inform HMRC, "managers" appointed by it are "

3. Recommendation to us

Although the declaration as to writing and signed, it is not legaparticular form. However, we stuse the HMRC Model Form (i.e Managers" in this subfolder).

4. The serious conseque a"fit and proper person".

If any of a charity's or CASC's 'qualify under the Finance Ac

Trustees and Managers)

aration for fit and proper persons to t should then keep the signed copy quests it at any time as part of an

who is "fit and proper"?

roper person' but HMRC's Model isqualify someone from being a "fit C Model Declaration under the title nd Managers)" in our Trustees –

be suitable to act as a trustee of a erson". Whether they are a "fit and for the Commission or any other e" service to determine for charities or persons": HMRC assumes that to have any information suggesting

asked, that they have given proper positions of trust or influence in the arity's finances and tax affairs. It is as given proper consideration to the and proper persons".

own procedures for that purpose.
e of asking each "manager" to read
and to sign the Declaration for Fit
bose of a charity or CASC doing so
en proper consideration to whether

m

and proper person needs to be in very specific content or be in any ew of the above points, you should and Proper Persons (Trustees and

any other "manager" not being

nd proper persons", it will no longer entitled to charity tax reliefs and

exemptions, and HMRC may as tax reliefs would include Gift Aid

5. HMRC Helpsheet

We have set out below the full above). This is published by he recommend that your charity manager to read to help the c appoint individuals who are "fit a

Crown copyright in both this H this Guidance Note is hereby ac

Who is this helpsheet for?

This helpsheet and the model d Amateur Sports Club (CASC) of term 'managers' applies to the to of corporate trustees, CASC of management over the running of

In a typical small local charity a could include the Chairperson committee who would have cont

In a larger charity a manager include all trustees or director employees who are able to dete spent. For example, most large of senior employees. In such a would be managers of the charit

If you are a 'manager' of a chari declaration based on the mode the wording onto your own stat charity tax reliefs should keep (HMRC) ask to see it. The sign see it.

Why is there a 'fit and proper

The 'fit and proper persons' test who are 'managers' of the charit be managers of such a bod organisations entitled to charity might misuse the tax reliefs the known to exploit charity tax reliefs that.

tax reliefs and exemptions. (Those

per Persons Helpsheet (referred to Model Form of Declaration. We elpsheet to each trustee or other gation to take appropriate steps to other managers.

Model Declaration accompanying

ΕΤ

'managers' of a charity, Community itled to UK charity tax reliefs. The tors of corporate charities, directors ersons having general control and ation of its assets. For example:

es of the fit and proper persons test and the rest of the management

fit and proper persons test would y but may also extend to certain proportion of the charity's funds are if Trustees and an Executive Board members of the Executive Board

nelpsheet and, if appropriate, sign a e model declaration below or copy SC or other organisation entitled to in case HM Revenue & Customs ant to HMRC unless HMRC asks to

nt. The test requires that individuals sation are 'fit and proper persons' to that charities, CASCs and other ged or controlled by individuals who Unfortunately fraudsters have been persons test exists to help prevent

What does 'fit and proper' mea

An individual is 'a fit and pro charity funds and tax reliefs a

In signing a declaration like the are used for charitable purposes may impact on whether or not notifies HMRC of certain new many information it has and will reperson may misuse the charit deciding that an individual mana

- the individual has been in misrepresentation and/or
- HMRC has knowledge of tax repayment systems
- the individual has beer regulator or been disqua
- the individual has used a Schemes ("DOTAS") run reference number has barrangements featured position has been adjust generated by the arrange
- the individual has us counteracted under the section 10 National Insu from time to time) and su
- the individual has bee avoidance schemes feat
 - a promoter¹ nar Schemes (POTA)
 - a promoter of an person a tax counteracted by Finance Act 2013 as enacted or as become final, or
 - a promoter of ar reference numbe and the tax posit adjusted by HMR by the arrangeme

sure, or are likely to ensure, that ble purposes.

ming that you will ensure that funds ain information about your past that nd proper person'. When a charity hecks that person's details against if there is anything to indicate the Factors that may lead to HMRC r person include where:

ther fraudulent behaviour including

nent in attacks against, or abuse of,

as a charity trustee by a charity arity trustee or company director der the Disclosure of Tax Avoidance Act 2004 in respect of which a 1311 of Finance Act 2004, and the ich used a charity, and their tax or partly remove the tax advantage lents have become final.

which have been successfully (see Part 5 of Finance Act 2013 or 2014, as enacted or as amended come final.

designing and/or promoting tax which used a charity, and they are:

the Promoters of Tax Avoidance Finance Act 2014, or igned or intended to obtain for any tax advantage has successfully ral anti-abuse rule (see Part 5 of I Insurance Contributions Act 2014 time) and such counteraction has

der DOTAS, in respect of which a r section 311 of Finance Act 2004, sers of the arrangements has been move the tax advantage generated is have become final

The meaning of a 'promoter ' in this contex https://www.gov.uk/government/uploads/sys s_Guidance_v1_0.pdf

Tax Avoidance Schemes guidance: 313987/Promoters_of_Tax_Avoidance_Scheme

However, just because a perso one of the other points above a eligible for tax reliefs. When cor particular managers, HMRC w position. For example any pers spending charity funds, even if t the charity's eligibility to tax relie

What do I need to do?

If you are confident you will do y only for charitable purposes a declaration then you should sign

If you are confident you will do y only for charitable purposes b declaration then you should sign out the relevant bullet point declaration to the charity. The ch

If neither of the above applies yo

I've signed the declaration so

The charity will keep the decla HMRC have any concerns abou

from acting as a charity trustee or so follow that the charity will not be of the fit and proper persons test to likely impact on the charity's tax s with HMRC and no control over proper person, is unlikely to affect

harity funds and tax reliefs are used lose any information listed on the to the charity.

harity funds and tax reliefs are used lose any information listed on the amended - for example by crossing the final box before you give the cide what to do.

claration.

ses pass your details to HMRC. If u to clarify the situation.