

## Charity registration – frequently asked questions

We would strongly encourage anyone who would like information on charity registration to refer to one of our guidance documents, which include:

*Registering as a charity in Northern Ireland* guidance

*The public benefit requirement* statutory guidance: charity trustees must have regard to this guidance when starting, registering, running and reporting on their charity.

*Supporting documents on the 12 charitable purposes*

### 1. Why do we need charity registration?

Prior to the establishment of the Charity Commission for Northern Ireland, there was no form of local (Northern Ireland) charity registration and only limited provision for enforcement of charity law.

This changed with the creation of an independent regulator and register of Northern Ireland charities, the Charity Commission for Northern Ireland. The creation of a commission was advocated for by Northern Ireland charities and brings charity regulation into line with Scotland, England and Wales.

Applying for registration as a charity in Northern Ireland should not be viewed as a daunting process, as the information required is information that charities should be keeping anyway. In fact, registration should bring a number of benefits both to charities and the wider general public.

Charities, for example, can wear their registration as a badge of honour, demonstrating that they have been legally confirmed as a charity and are open, accountable and transparent.

Members of the public, donors, beneficiaries and organisations such as grant making bodies and other support groups, will be able to use the online register of charities as a publicly accessible database of all Northern Ireland charities.

## 2. When did registration begin?

The Commission began registration on Monday 16 December 2013. It is important to note that registration will not happen overnight. It is estimated that there are between 7,000 and 12,000 charities currently operating in Northern Ireland, ranging from churches, clubs and drop-in groups to societies and umbrella bodies.

Therefore, registration will be a managed process over coming years. Organisations will be called forward by the Commission in tranches to apply for registration. You can find out more information on how the Commission will manage registration in our *Registering as a charity in Northern Ireland* guidance.

## 3. Will registration with the Charity Commission for Northern Ireland mean automatic charitable tax status with HMRC?

No. You will have to first apply to register with the Commission as a charity before applying separately to HMRC for charitable tax status.

If you have started a new charity please complete the online [Expression of intent form](#) to provide your details to the Commission, enabling you to be called forward to apply for charity registration.

If you already have charitable tax status with HMRC prior to registering with the Commission, you will not need to reapply to HMRC and your HMRC reference number will remain the same.

## 4. I have already registered with HMRC, why do I have to register again?

HMRC do not regulate charities. This role falls specifically to the Commission and as a consequence makes charities much more accountable to the public.

Holding an HMRC number means that your organisation has been granted charitable tax exemptions by HMRC, which makes its assessment under the Finance Act 2010. It does not mean your organisation is a registered charity.

## **5. I would like to start a new charity – do I need to register with the Commission before I apply to HMRC regarding Gift Aid?**

Yes, you will need to successfully register as a charity with the Commission first in order to apply to HMRC for charitable tax exemptions.

Registration with the Commission is not a guarantee of receiving charitable tax status with HMRC, which makes an independent assessment under the Finance Act.

If you have started a new a new charity, please complete the online [Expression of intent form](#) to provide your details to the Commission, enabling you to be called forward to apply for charity registration.

## **6. While I am waiting to register, can I still claim Gift Aid?**

Yes, while you are awaiting registration as a charity with the Commission, it will still be possible to claim Gift Aid if you have already been granted charitable tax status by HMRC.

If you are successfully registered as a charity by the Commission, you will not need to reapply to HMRC for charitable tax status and your HMRC number will remain the same

## **7. If I am not registered, will I lose my HMRC status?**

If you are unsuccessful in the registration process, the Commission will notify HMRC. HMRC provide charitable tax benefits under the Finance Act 2010 and any decision to remove charitable benefits will be reassessed by them.

If you do not make your application for registration within three months from the date at which your organisation is called forward, the Commission will notify HMRC that your application has not been submitted and your gift aid entitlement may be withdrawn/suspended until your application is submitted.

## **8. How much does it cost to apply?**

There is no fee to apply for registration as a charity in Northern Ireland.

## 9. Are there penalties for not applying?

There are no exceptions or exemptions to applying for charity registration, which is compulsory for all charities.

Failure to apply to register when called forward, or failing to supply us with the required documents and information, is a breach of the Charities Act and the Commission may pursue the issue through the courts. It will also result in the loss of your recognition as a charity, including for tax purposes, which could mean HMRC will no longer pay Gift Aid to your organisation.

## 10. Will I have to apply every year?

No, registration is a one off process. However, you will be required to notify us of any change, for example if your charity closes, and keep us updated on your activities via the annual reporting regime for registered charities.

At present, charities in Northern Ireland are not required to submit annual monitoring returns or accounts and reports to the Commission for inspection. This is set to change now that compulsory registration of charities has begun, with annual reporting by charities playing an important role in the Commission's regulation and monitoring work as well as helping to ensure the register of charities is accurate and up to date.

It will be compulsory for all registered charities to provide information on their activities, governance and finances on an annual basis and submit their accounts and reports to the Commission for inspection. Providing information to the Commission on an annual basis will be known as 'annual reporting' and it is intended that the annual reporting programme will consist of three main elements:

1. Annual monitoring return
2. Annual accounts
3. Trustee annual report

The Commission recently undertook a public consultation on its draft interim reporting requirements, which closed on Friday 13 December 2013. You can find out more about the consultation and the reporting requirements which registered charities will have to meet online [here](#).

## **11. What if my application isn't successful - what should I do next?**

If your application for registration is unsuccessful, we will write to you explaining why we have reached this decision. This should inform your next steps as an organisation, and you may be able to reapply in the future.

We will also explain the process you can use if you disagree with our decision or feel that we have misunderstood your application and wish to challenge the decision.

## **12. I have issued myself with a password using the 'Issue a new password' button on the system but when I try to log in using the password received, why do I keep getting an error message?**

The 'Issue a new password' button will only work for organisations which have been called forward for registration and have an account set up for the online registration system. If you have not yet been called forward for registration, please do not use the 'Issue a new password' button as you will be unable to access the online system using this password.

If you have been called forward for registration and have forgotten or lost your password, you may use the 'Issue a new password' button to send a new password to the email address linked to your account. If you have been called forward for registration and have attempted to issue yourself with a new password but received an error message, please contact the Commission immediately on 028 3832 0220.

**ENDS**