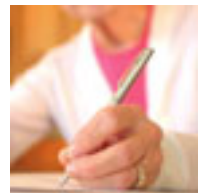


Making a gift of shares to Alzheimer's Society

There are many reasons why giving shares to Alzheimer's Society might appeal to you. You might hold windfall shares as a result of a privatisation or demutualisation, effectively gathering dust, or perhaps you own a small parcel of shares as a result of an inheritance generating more paperwork than they're worth. Yet by simply donating shares to Alzheimer's Society you can make a real difference to people with dementia.



Share giving - what is it?

- Giving shares to charity is not a new idea.
- Since April 2000, a tax incentive has made share giving even more attractive. Individuals who give shares to charity are entitled to claim back full tax relief against the value of those shares.
- This means that a gift of shares worth £1,000 will only cost a higher rate taxpayer £600, or £780 for lower rate taxpayers.
- Furthermore, no capital gains tax will apply.

How does it work?

Tax relief is available to UK taxpayers donating shares and securities listed on the UK Stock Market, the Alternative Investment Market, and recognised stock exchanges overseas. It is also available for units in a UK unit trust, shares in a UK open-ended investment company (OEIC), and some similar foreign investments.

You can claim tax relief equal to the market value of the shares on the day you make the gift, together with any associated costs such as brokers' fees. Furthermore, capital gains tax (CGT) on any increase in the value of the shares since you bought them will not apply. However, if your shares have gone

down in value, you should be aware that you will not be able to use this loss to offset any other CGT liability you may have.

For example, if a donor gives 1,000 shares in a listed company, each worth £1 on the day the gift is made, the total value of the gift is £1,000, and if the broker's fee paid by the donor is £50 and the amount of relief available is calculated as follows:

Value of shares £1,000 plus the broker's fee £50 = £1,050
Deduction against income = £1,050

In addition, capital gains tax relief is given for gifts to charity. This means the donor does not pay any capital gains tax that might have been payable if the shares had been sold. It also means that the donor cannot offset any loss he or she has made on these shares against gains made by other shares they own.

How do I donate shares?

You need to:

- Contact Alzheimer's Society to help arrange the transaction
- Transfer the gift to the charity
- Keep evidence of the gift, the date it was made and the charity's acceptance
- Claim the appropriate tax relief

If you would prefer to handle the gift yourself, what you do depends on whether you hold a share certificate, or whether your shares are held in a nominee account.

If you hold a share certificate

Contact the company's registrar. Their details can be found on your share certificate, dividend vouchers, the company's annual report, or their website. The company's registrar will provide a stock transfer form for you to complete and return to them.

It is important that you keep a copy of this form. It is your evidence to the Inland Revenue concerning the date of the gift. The company registrar will then issue a new certificate to the charity.

If your shares are held in a nominee account

Ask your broker to transfer the shares for you. The broker might charge you for this service, but you should be able to get tax relief on this as well as the value of the shares.

Claiming relief

You can claim relief by:

- Completing the appropriate section of your self-assessment return, or
- Requesting that your PAYE code is amended for the current tax year, or
- Requesting that your self-assessment payments on account are reduced

If you are not sent a self-assessment return at the end of the tax year, or if you want to claim relief before the end of the current tax year, you should write to your tax office, giving full details of the gift, in order to claim the relief.

For more information on making a gift of shares to Alzheimer's Society please contact:

Mysten Namocatcat
Telephone: 020 7423 5140

E-mail: Mysten.namocatcat@alzheimers.org.uk

You should always seek independent financial advice when thinking of making a gift of shares to charity.

Organisations that can help include:

Charities Aid Foundation

Kings Hill, West Malling
Kent ME19 4TA
Phone: 01732 520000
Website: <http://www.cafonline.org/>

ShareGift

24 Grosvenor Gardens
London SW1W 0DH
Phone: 020 7337 0501
Website: <http://www.sharegift.org/>

Community Foundation Network

Swallow House
11 Northdown Street
London N1 9BN
Phone: 020 7713 9326
Website: <http://www.communityfoundations.org.uk/>

Inland Revenue

Phone: 0845 3020203 or consult the Inland Revenue leaflet IR 178
Website: <http://www.hmrc.gov.uk/>

Alzheimer's Society National Dementia Helpline

England, Wales and Northern Ireland: 0300 222 11 22

9.00am-5.00pm Monday-Friday

10.00am-4.00pm Saturday-Sunday

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