

[Check the tax rules on waiving your income or donating to charity](#)

During the COVID-19 pandemic, many people are choosing to give up part of their income to support their business or employers, or donate to charity.

HMRC is keen to support people who choose to waive – or give up – part of their income, particularly when it comes to understanding any tax implications.

Employers, directors and employees have several options to support a business or employer, including:

- waiving their salary or bonuses before they're paid
- waiving the right to any dividends
- giving salary or dividends back to their employer after they've been paid

To donate to charity, people can use:

Supporting a business or an employer

Waiving salary or bonuses before they are paid

A 'waiver of remuneration' happens when an employee gives up rights to remuneration and gets nothing in return.

If an employee and employer agree to a reduction in the employee's remuneration before they are paid, for example to support company cashflow during the pandemic, then no Income Tax or National Insurance contributions (NICs) will be due on the amount given up.

This is provided the agreement is not part of any wider arrangement to divert the amount to a particular recipient or a cause. For example, if it was waived on condition that the sum would be donated to a particular charity, this would still be liable to tax.

Waiving dividends

Directors or other shareholders, including employees, are able to waive their right to be paid a dividend.

For this to be effective, a Deed of Waiver must be formally executed, dated and signed by shareholders and witnessed and returned to the company.

The waiver must be in place before the right to receive a dividend arises. For final dividends, this is before they are formally declared and approved by the shareholders. For interim dividends, the waiver must be in place before the dividends are paid.

Giving salary or bonuses back to your business or employer after they have been paid

It is possible to give back salary or bonuses to a business or employer after they have been paid.

However, it is not possible to claim back the Income Tax and NICs that would already have been deducted from the salary or bonuses on payment.

Bonuses must be waived before the date they are due to be paid. If they are waived on or after the due date then tax will still be payable on them, even if the bonus is not paid over.

Donating to charity

Payroll Giving

Payroll Giving is a way of giving money to charity without paying tax on it. It must be paid through PAYE from someone's wages or pension.

If you're an employee, you should select a registered charity to donate to, and let your employer's payroll department know.

Employers should contact a Payroll Giving agency to set up a scheme. The donation will be taken from employees' pay before Income Tax but after National Insurance. Any registered charity in the UK or the EU recognised by HMRC for tax purposes can receive donations through Payroll Giving.

Gift Aid

Donating through Gift Aid means charities and community amateur sports clubs can claim an extra 25p for every £1 donated.

This means that if you make a donation to an eligible charity, the charity can claim back from HMRC the basic rate tax you would have paid on the amount. This is a way of giving to charity tax efficiently even after you have been paid.

Further help

HMRC has a [dedicated helpline](#) available to support any of our customers affected by coronavirus (COVID-19).

[Specialised Committee for Financial](#)

Provisions: UK-EU joint post-meeting statement

News story

Joint statement between the UK Government and European Commission following the meeting of the Specialised Committee for Financial Provisions on 19 May.



The first meeting of the Specialised Committee on Financial Provisions (SCFP) was held today via video conference, co-chaired by officials from the UK Government and European Commission. This Committee was tasked by the first meeting of the Withdrawal Agreement Joint Committee held on 30 March, to start work related to implementing the financial provisions in Part V of the Withdrawal Agreement.

The UK and the EU exchanged updates on the implementation of Part V of the Withdrawal Agreement, relating to financial provisions.

The UK and EU side reaffirmed their commitment to complying with their legal obligations under the Withdrawal Agreement.

The two sides agreed to continue informal work on the information requirements set out in the financial provisions of the Withdrawal Agreement. They committed to continue working collaboratively on a range of technical issues in recognition of the mutual benefit of smooth implementation of the financial provisions of the Withdrawal Agreement.

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Independent Construction Commissioner to oversee HS2 Phase 2a route

- Sir Mark Worthington to oversee HS2 Phase 2a route from West Midlands to Crewe
- appointment marks the extension of his existing role to include oversight of Phase 2a as part of government work to improve accountability for the project
- commissioner will oversee decision making between HS2 Ltd and contractors, ensuring any issues during construction are resolved fairly

Homeowners and businesses affected by the construction of HS2 between the West Midlands and Crewe will have access to clear, impartial advice, enabling strong scrutiny of the project, after the Department for Transport extended the Independent Construction Commissioner's role to cover Phase 2a of the project.

Sir Mark Worthington OBE will now have responsibility for managing issues and relationships between HS2 Ltd and individuals or bodies relating to construction work on both Phase One, from London to Birmingham, and Phase 2a, West Midlands to Crewe.

In his extended role, the Independent Construction Commissioner will work with communities, businesses and individuals along the West Midlands to Crewe route to improve engagement between building contractors and local communities. His focus will be resolving complaints relating to construction issues, as well as providing advice to members of the public on how they can raise concerns with HS2 Ltd.

The move represents another step by the government to maintain a strong level of scrutiny on HS2 Ltd's community engagement and to ensure HS2 delivers on its requirement to be a good neighbour to all on the railway's route.

HS2 Minister Andrew Stephenson said:

The Independent Construction Commissioner adds important oversight to this project by ensuring there is a constructive and positive relationship between HS2 Ltd, its contractors and local communities. It also ensures all building-related decisions adhere to best practice, as set out by the department.

I have no doubt Sir Mark will continue his impressive work as Commissioner, helping to develop constructive engagement between all parties and ensure HS2 is a good neighbour to all as it constructs this vital railway.

Since being appointed as Commissioner for Phase One in 2018, Sir Mark has

developed considerable knowledge on HS2 and its contractors, and his continued governance will provide the project with added stability as it progresses through the next stage.

Sir Mark has more than 20 years of experience working with government and leading politicians both in the UK and abroad, including as Baroness Thatcher's private secretary from 1992 to 2013.

Sir Mark Worthington said:

I am grateful to the HS2 Minister and Secretary of State for extending my remit to cover Phase 2a of the HS2 project. It makes considerable sense at this time and I look forward to the renewed challenges.

[Veterinary Medicines Directorate office closure over May Bank Holiday period](#)

News story

The VMD virtual office will be closed on Monday 25 and Tuesday 26 May.



The VMD virtual office will be closed for an additional day after the May Bank Holiday.

Our online services will still be available, such as the Product Information Database, Apply for a Special Import Certificate and Reporting an Adverse Event.

The virtual office will re-open from 8:30am on Wednesday 27 May.

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Civil Service Coffee Connect

News story

Civil Service Coffee Connect is a networking scheme that encourages conversations, emphasising shared ambitions, interests and experience.



With so many of us now working from home, Civil Service Coffee Connect is a great way to boost wellbeing and create new connections. Networking empowers a sense of community and wider belonging. On the face of it, meeting someone new once a month for a quick chat doesn't sound like much, but cumulatively, over time, it helps to create a larger network of friendly contacts who can help, support and advise you.

Click [here](#) for more information.

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