

Making U.S. tax-deductible donations to your chaplaincy via the Charities Aid Foundation (“CAF”) America and the Diocese in Europe

Dear Friend

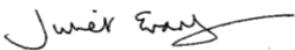
Firstly, THANK YOU for your interest in making a gift to the work of one of our wonderful chaplaincies in the Diocese in Europe. Your generosity will ensure that our mission and ministry will continue to flourish and make a difference to the lives of worshippers, visitors and the wider communities we serve.

This document contains the following information:

1. An introduction to giving via CAF America & the Diocese in Europe
2. A step-by-step guide to making a donation
3. Frequently asked questions

If you require any assistance or a confidential conversation about a donation – or would value a personal introduction to the Donor Engagement Officer at CAF America, please do not hesitate to contact me.

Kind regards



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1. An introduction to giving via CAF America & the Diocese in Europe

U.S. tax-deduction eligibility varies significantly for international gifts. U.S. tax-paying donors who give directly to foreign charities usually can't claim tax deductions, as the IRS only allows deductions for gifts to registered U.S. charities. One option for donors is to use an intermediary 'sponsoring' organisation, which specializes in granting to foreign charities based on donor recommendations, in order to maintain their tax benefits. CAF America is fully compliant with U.S. law and qualifies as a sponsoring organisation for foreign non-profit making organisations under Internal Revenue Code Section 501 (c) (3). Therefore, it can issue the donor with a receipt for US tax purposes which should be submitted to the IRS with the tax return.

More information can be found here: [Foreign Nonprofits - CAF America](#).

The Charities Aid Foundation is a group of charitable organisations in the UK and North America operating globally – the [Charities Aid Foundation in the UK \(CAF UK\)](#), [Charities Aid Foundation America \(CAF USA\)](#), and [Charities Aid Foundation Canada](#). These organisations work with corporate and individual donors

and ensure that a regulatory-compliant grant-making process is in place with due diligence and vetting protocols. Donations are routed from CAF America to the Diocese in Europe via CAF UK. This process takes longer *but* it does reduce the administrative workload for the Diocesan office.

It is important that your donation is made directly to the Diocese in Europe (with a restriction), rather than to an individual chaplaincy itself. Again, routing donations via the Diocese in Europe *significantly* reduces the costs and paperwork for chaplaincies, whilst maintaining the tax benefit for U.S. donors. This is because the Diocese in Europe (the “Diocese in Europe Board of Finance”) is a registered UK charity recognised by CAF UK and has completed the necessary due diligence and vetting process. CAF America therefore already regards the Diocese in Europe as an eligible organisation.

2. A step-by-step guide to making a donation

Overview of the donation process

As a starting point, the Diocese in Europe will be using the single gift ‘Donor Advised Gift’ route within CAF America to process donations. **It is a useful vehicle for larger gifts of c. \$1,000 rather than smaller regular giving, due to the minimum fee (see below).** We will continue to monitor demand for smaller regular giving and may advise of an alternative route through CAF America in future. If you have any queries about this, please [contact Juliet Evans](#).

Please note:

It is very important that you nominate the Diocese in Europe Board of Finance as the charity you wish to donate, *not* the chaplaincy itself:

Organization Name = Diocese in Europe Board of Finance UKCC=250186

Organization Address = 14 Tufton Street, London SW1P 3QZ United Kingdom

Grant Purpose (Optional) = (Name of the chaplaincy eg “Location, St Agatha’s”)

The ‘UKCC’ number is the unique UK Charity Commission number for the Diocese. Please include it in the Organization Name.

The Diocese will ensure that your donation reaches the chaplaincy you nominate.

Donor donates to CAF America	➔	CAF America processes donation and disperses to CAF UK	➔	CAF UK sends donation to Diocese in Europe’s bank account	➔	Diocese in Europe sends donation to chaplaincy or holds money in UK account (restricted to chaplaincy)
	➔	CAF America sends tax receipt to donor				No reporting is required back to CAF America on the use of donations.

Note: The process can take up to 6 weeks in total, especially where a donation is made by cheque. This is because both CAF America and CAF UK have their own processing/due diligence procedures.

How to donate via different methods:

- **Online via the CAF America website:** Complete the form on the CAF America website [via this link](#).
- **Via cheque:** Complete the [offline grant form](#) and post to CAF America with the cheque enclosed.
- **Via wire transfer/any other method:** It is important to complete the [offline grant form](#) **BEFORE** transferring any money. Email the form directly to info@cafamerica.org (or if you contact Juliet Evans she can give you the direct email of the Donor Engagement Officer there). CAF America will acknowledge receipt of your form and will liaise with you if there are any questions, and **THEN** arrange the timing/details of the wire transfer etc with you.
- **Via a 'third-party donor advised fund' affiliated with CAF America eg Vanguard Charitable:** There is a *different* process and fee structure for these donations. Please contact Juliet for more information before making a donation.

CAF America will process the donation, deducting the transaction fee (see below). It will then disperse the donation to CAF UK – and email you with the tax certificate within two weeks. (Please check your spam/junk email folder!)

CAF UK will ensure the money reaches the Diocese in Europe Board of Finance bank account. The Diocese in Europe will then forward your donation to the chaplaincies – or hold Diocese in Europe Board of Finance's UK bank account within a chaplaincy-restricted fund.

Fee structure

For each gift (up to \$100,000) there is an **8% transaction fee** – with a minimum fee of \$80. So, for example, if a donor gives \$900 the minimum fee of \$80 would apply (rather than \$72 which is 8% of \$900) and the chaplaincy would therefore receive \$820. We therefore advise using CAF America for larger gifts at this time, just so that the fee does not form a disproportionate part of the donation.

Your donation

If you normally give to the work of your local chaplaincy by a different non-tax-deductible method, may we kindly ask you to include an additional minimum 8% to your USD donation via CAF America? This means that the chaplaincy still receives at least the same amount of money as via your current method. If you would like to increase your gift further, because of the tax benefit you receive, then that of course would be very welcome indeed.

If you wish to give over \$15,000 (*either* as a one-off gift *or* multiple gifts totalling \$15,000 within a three-month period), please read the section on 'Know Your Customer' in the Frequently Asked Questions below.

3. Frequently Asked Questions

Where can I see proof of CAF America's Public Tax Exemption Determination Letter, proving its IRC 501 (c) (3) status?

Key documents can be found on the CAF America's website here: [CAF America's Public Finances - CAF America](#)

What do I need to be aware of if I want to give large amounts eg \$15,000 in either a single donation or within a three-month period?

As part of its due diligence and vetting protocols, CAF America has a 'Know Your Customer (KYC)' process. This means if CAF America receives a single donation of \$15,000+ OR gifts totalling \$15,000+ within any three-month period, it will require further information from the donor/foundation (such as trustee details, latest accounts, articles of association etc).

If you are considering making a single gift or multiple gifts totalling over \$15,000 and are not inclined to go through the 'Know Your Customer' process, you may wish to spread your donations more widely throughout the year. Please note that the current maximum total that you can donate within one twelve-month period is \$100,000.

Why does it say on the donations forms that my gift is the property of CAF America?

To be eligible for a tax receipt, the donation must be given to a U.S. entity. But donors can *suggest* that the funds go elsewhere. This is a standard phrase for 'intermediary sponsoring' organisations – that is why it is imperative to use a trusted entity, such as the Charities Aid Foundation, to process donations to overseas charities.

When and how will I get my tax certificate?

You will be emailed your certificate within two weeks of the donation being cleared through CAF America (please check your email spam folder) – and it will also be posted to you. If you do not receive your tax certificate, please contact Juliet Evans.

Who in the chaplaincy will know about my donation?

We would recommend that you inform the treasurer in advance of making the donation, in case the chaplaincy has any other pre-existing arrangement for US tax-efficient giving (see below). The Diocese will inform the chaplaincy treasurer of the donor and donation amount, so that they are aware of the source of funds. As per all other forms of chaplaincy donations, the treasurer should keep this information strictly confidential.

Do I have to use CAF America?

No, you can choose to use any other 'intermediary sponsoring' organisation to make US tax-efficient donations. As mentioned above, some chaplaincies have pre-existing arrangements in place. There are also other organisations that can facilitate U.S. tax-efficient giving – Juliet Evans can advise further. We strongly advise that donors should investigate and evaluate any organisation (or consult your financial adviser) before making U.S. tax-efficient donations.

I have lots of questions. Who can I talk to?

Please contact Juliet Evans, Fundraising Adviser, at the Diocese in Europe via juliet.evans@churchofengland.org in the first instance. She will be very happy to assist and make a personal introduction to CAF America's Donor Engagement Officer.