

Giving Shares to Wakefield Girls' High School, Queen Elizabeth Grammar School, Wakefield or Wakefield Grammar School Foundation.

Introduction

Each year, around £100 million of shares are given to charity. In order to transfer shares to benefit QEGS Wakefield or Wakefield Girls' High School, the shares need to be transferred to the registered charity Wakefield Grammar School Foundation. There are considerable benefits to making a gift of shares to the Foundation (Reg. Charity No. 1088415)

When you give shares to the Foundation you can get substantial relief on your Income Tax bill, as well as exemption from Capital Gains Tax (CGT) on any gains you may have made on the shares. With the higher rate of Income Tax and CGT both currently at 40%, this can amount to a substantial tax-break.

Tax relief is a complex subject will depend upon your own particular circumstances. The Foundation is not in a position to give financial advice, and we recommend that you consult your own financial advisor before making any gift of shares. However we are able to outline below two relief schemes through which you may be able to benefit by making a gift of shares.

Income Tax

You may be eligible to claim tax relief on the value of any shares you donate to Wakefield Grammar School Foundation. Shares that qualify for tax relief are broadly those that are publicly quoted. These include:

- Shares and securities dealt in or listed on the UK Stock Exchange, including the Alternative Investment Market
- Shares and securities dealt in or listed on any recognised overseas stock exchange
- Units in a UK authorised unit trust (AUT)
- Shares in a UK open-ended investment company (OEIC)
- Holdings in certain foreign collective investment schemes (broadly, schemes established outside the UK that are equivalent to unit trusts and OEICs)

N.B. Some shares (such as unquoted shares) are not eligible for Income Tax relief.

Capital Gains Tax

Most shareholders know that when someone sells shares that have increased in value since they were bought, they make a capital gain. If the gain is above a certain limit each year, they may be liable to pay Capital Gains Tax. If they sell shares and there is a loss, this loss could be offset against gains.

However, if you give shares to Wakefield Grammar School Foundation the position is different; in that case there is no gain or loss for CGT purposes. What this means is that if you have made a gain, you will not be taxed on it if you give the shares to Wakefield Grammar School Foundation.

If you donate shares which have made a loss, you can not then offset this loss against other gains. In this case you may be in a better position if you sell your shares, realise the loss and donate the money to Wakefield Grammar School Foundation using Gift Aid.

Claiming Tax Relief

It is your responsibility to claim tax relief on any gifts of shares you make. To do this you should keep adequate records of your gift.

You can claim tax relief by completing the appropriate section of your tax return. If you are not sent a tax return or if you want to claim relief before the end of the tax year, you should contact your tax office for advice.

Selling shares on our behalf

If you buy and sell shares regularly you may be happy to sell your shares on our behalf. You can do this and still be treated for tax purposes as making a gift of the shares. However, in order to claim tax relief, you will need evidence that you made the gift to Wakefield Grammar School Foundation **before** you sell them.

This is a very important distinction. If there is no evidence, HMRC may take the view that the shares were sold by you and that the proceeds were given to the Foundation. This would mean that you would not be eligible for the tax relief. If you would like to do this, please contact the Development Director who will be happy to make arrangements for you to sell your shares on our behalf.

Further Details

For further details please contact: Andrew Beales, Development Director, Wakefield Grammar School Foundation, 158 Northgate, Wakefield, WF1 3UF.

STOCK TRANSFER FORM

(above this line for Registrars only)

Consideration Money £	Certificate lodged with the Registrar (For completion by the Registrar/Stock Exchange)
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Name of Undertaking.		
Description of Security.		
Number or amount of Shares, Stock or other security and, in figures column only, number and denominations of units, if any	Words	Figures
<p>Name(s) of registered holder(s) should be given in full; the address should be given where there is only one holder.</p> <p>If the transfer is not made by the registered holder(s) insert also the name(s) and capacity (e.g., Executor(s)), of the person(s) making the transfer.</p>	In the name(s) of	

<p>I/We hereby transfer the above security out of the name(s) aforesaid to the person(s) named below or to the several persons named in <i>Parts 2 of Brokers Transfer forms relating to the above security</i>:</p> <p style="text-align: center;">Delete words in italics except for stock exchange transactions. Signature(s) of transferor(s)</p> <p>1.</p> <p>2.</p> <p>3.</p> <p>4.</p> <p style="text-align: center;">Bodies corporate should execute under their common seal.</p>	<p>Stamp of Selling Broker(s) or, for transactions which are not stock exchange transactions, of Agent(s), if any, acting for the Transferor(s).</p> <p style="text-align: center;">Date</p>
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<p>Full name(s) and full postal address (es) (including County or, if applicable, Postal District number) of the person(s) to whom the security is transferred.</p> <p>Please state title, if any, or whether Mr., Mrs. or Miss.</p> <p>Please complete in typewriting or in Block Capitals.</p>		
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I/We request that such entries be made in the register as are necessary to give effect to this transfer.

Stamp of Buying Broker(s) if any	Stamp or name and address of person lodging this form if other than the Buying Broker(s)

The security represented by the transfer overleaf has been sold as follows: —

Shares/Stock	Shares/Stock

Balance (if any) due to Selling Broker(s)

Amount of Certificate(s)

Brokers Transfer Forms for above amount certified

Stamp of certifying Stock Exchange

Stamp of Selling Brokers(s)

FORM OF CERTIFICATE REQUIRED WHERE TRANSFER IS EXEMPT FROM STAMP DUTY

Instruments executed on or after 1st May 1987 effecting any transactions within the following categories are exempt from stamp duty: -

- A. The vesting of property subject to trust in the trustees of the trust on the appointment of a new trustee, or in the continuing trustees on the retirement of a trustee.
- B. The conveyance or transfer of property the subject of a specific devise or legacy to the beneficiary named in the will (or his nominee). Transfers in satisfaction of a general legacy of money should not be included in this category (see category D below)
- C. The conveyance or transfer of property which forms part of an intestate's estate to the person entitled on intestacy (or his nominee). Transfers in satisfaction of the transferee's entitlement to cash in the estate of an intestate, where the total value of the residuary estate exceeds that sum, should not be included in this category (see category D below).
- D. The appropriation of property within section 84(4) of the Finance Act 1985 (death: appropriation in satisfaction of a general legacy of money) or section 84(5) or (7) of that Act (death: appropriation in satisfaction of any interest of surviving spouse and in Scotland also of any interest of issue).
- E. The conveyance or transfer of property which forms part of the residuary estate of a beneficiary (or his nominee) entitled solely by virtue of his entitlement under the will.
- F. The conveyance or transfer of property out of a settlement in or towards satisfaction of a beneficiary's interest acquired for money or money's worth, being conveyance or transfer constituting a distribution of property in accordance with the provisions of the settlement.
- G. The conveyance or transfer of property on and in consideration only of marriage to a party to the marriage (or his nominee) or to trustees to be held on the terms of a settlement made in consideration only of the marriage. A transfer to a spouse after the date of marriage is not within this category, unless made pursuant to an ante-nuptial contract.
- H. The conveyance of a transfer or property within section 83(1) of the Finance Act 1985 (transfers in connection with divorce etc.).
- I. The conveyance or transfer by the liquidator of property which formed part of the assets of the company in liquidation to a shareholder of that company (or his nominee) in or towards satisfaction of the shareholder's right's on a winding-up.
- J. The grant in fee simple of an easement in or over land for no consideration in money or money's worth.
- K. The grant of a servitude for no consideration in money or money's worth.
- L. The conveyance or transfer of property operating as a voluntary disposition inter vivos for no consideration in money or money's worth nor any consideration referred to in section 57 of the Stamp Act 1891 (conveyance in consideration of a debt etc.).
- M. The conveyance or transfer of property by an instrument within section 84(1) of the Finance Act 1985 (death: varying disposition).

- (1) "I" or "We". (1) hereby certify that the transaction in respect of which this transfer is made is one which falls within the category (2) above. (1) confirm that (1) have been duly authorised by the transferor to sign this certificate and that the facts of the transaction are within (3) knowledge (4)
- (2) Insert appropriate category. *Signature(s)* *Description ("Transferor", "Solicitor", etc.)*
- (3) "My" or "Our".
- (4) Delete second sentence if the certificate is given by the transferor or his solicitor.

Date: 20

NOTES

- (1) If the above certificate has been completed, this transfer does not need to be submitted to the Controller of Stamps but should be sent directly to the Company or its Registrars.
- (2) If the above certificate is not completed, this transfer must be submitted to the Controller of Stamps and duly stamped (See below).

FORM OF CERTIFICATE REQUIRED WHERE TRANSFER IS NOT EXEMPT BUT IS NOT LIABLE TO AD VALOREM STAMP DUTY

Instruments of transfer, other than those of respect of which the above certificate has been completed, are liable to a fixed duty of £5.00 when the transactions falls within one of the following categories: -

- (a) Transfer by way of security for a loan or re-transfer to the original transferor on repayment of a loan.
- (b) Transfer, not on sale and not arising under any contract of sale and where no beneficial interest in the property passes: (i) to a person who is a mere nominee of, and is nominated only by, the transferor; (ii) from a mere nominee who has at all times held the property on behalf of the transferee; (iii) from one nominee of the same beneficial owner where the first nominee has at all times held the property on behalf of that beneficial owner. (NOTE - This category does not include a transfer made in any of the following circumstances: (i) by a holder of stock, etc., following the grant of an option to purchase the stock, to the person entitled to the option or his nominee; (ii) to a nominee in contemplation of a contract for the sale of the stock, etc., then about to be entered into; (iii) from the nominee of a vendor, who has instructed the nominee orally or by some unstamped writing to hold stock, etc. in trust for a purchaser, to such purchaser.)

- (1) "I" or "We" (1) hereby certify that the transaction in respect of which this transfer is made is one which falls within the category
- (2) Insert "(a)" or "b)" (2) above.
- (3) Here set out concisely the facts explaining the transaction. Adjudication may be required. (3)

Date

20

Signature
Description

Transfers Transferees

NOTE — The above certificate should be signed either by all the transferors and transferees, or a member of a Stock Exchange or a Solicitor acting for one or other of the parties, or an accredited representative of a bank. In other cases the certificate should be signed by a Solicitor or other person (e.g. a bank acting as a trustee or executor) having full knowledge of the facts.

Transferring Shares to Wakefield Grammar School Foundation

In order to transfer shares to benefit QEGS Wakefield or Wakefield Girls' High School, the shares need to be transferred to the registered charity Wakefield Grammar School Foundation. A Stock Transfer Form must be completed and a letter sent stating that you are donating the shares to Wakefield Grammar School Foundation. Your shares may be held in your own name, or they may be held in the name of a nominee company. You may or may not have certificates for them. You may need advice from your stockbroker or bank about how your shares are held if you are not sure.

The following information is required to be completed on the form:

- **Consideration Money £**
Since the shares are being transferred as a Gift please write NIL in the box
- **Full Name of Undertaking**
Enter the name of the company in which your shares are held.
- **Full Description of Security**
This is the type of shares e.g. Ordinary 25p or Cumulative preference as described on your share certificate.
- **Number or amount of shares, stock or other security etc**
Enter the number of shares you are transferring IN WORDS in the first box and FIGURES in the next box.
- **Name of Registered Holder(s) etc**
Enter the shareholder's full names (plus any designation) in BLOCK LETTERS as they appear on the share certificate and if only one holder the address as well.
- **I/We hereby transfer the above security etc**
PLEASE SIGN HERE all holders must sign the transfer form and should not include any additional names or initials that are not shown on the Certificate(s).
- **Stamp of Selling Broker**
If a private individual no stamp required just insert date on which the transfer is being completed.
- **Full names, any designation and postal address to whom the shares are being transferred**
This should be left blank as it will be completed by our stock broker
- **Stamp or name and address of person lodging this form**
Leave blank
- **Turn over the form, and circle Clause L,**
This certifies that the transfer is a Gift and therefore not liable to stamp duty. Please sign and date this section.

For your records

It may be useful to take a copy of the stock transfer form and letter for your tax records, plus a note of the value of the gift as calculated above.

Submitting your share transfer

When completed, return the entire form, along with a cover letter stating that you wish to "donate the shares [include description of shares] to Wakefield Grammar School Foundation". Send the transfer form, letter and share certificate (where applicable) to Andrew Beales, Development Director, Development Office, Wakefield Grammar School Foundation, 158 Northgate, Wakefield, WF1 3UF.

Claiming your Tax Relief

If you do not already return an Income Tax Self Assessment Form you will need to do so. There is a box on the form for the value of shares given to Charity. If in doubt your financial advisor will be able to offer professional advice.