Making a gift to Columbia Law School via the Columbia (UK) Limited Fund

To help our friends and alumni in the UK support the university while gaining tax benefits, we established the Columbia (UK) Fund Limited. A gift to this fund from a donor who is subject to UK income tax is eligible for Gift Aid relief. This increases the donor’s philanthropic impact.

Let’s say you are a UK basic rate taxpayer and want to give £100 to the Columbia (UK) Fund Limited. It will be possible to do so at a cost to you of £80. If you are a UK higher rate taxpayer, the cost will be £60. This can be achieved by using the Gift Aid Scheme.

When you make a gift to the Columbia (UK) Fund Limited, you should complete a Gift Aid declaration form. The gift is then treated as though it was a gift of an amount from which income tax had been deducted at the basic rate. This means that Columbia can reclaim from the HM Revenue and Customs the basic rate income tax which is deemed to have been deducted from that gift. If you are a UK higher rate taxpayer, you can then reclaim 20-25% of the grossed-up value of the gift by including details on your tax return.

For those who pay taxes to both the UK and US:
Americans resident in the UK have particular income tax problems with respect to structuring tax efficient charitable gifts because they are subject to two systems of taxation. In the past Americans typically chose either to obtain tax relief in the US or UK and accepted that the overall benefit would be limited by the constraints of the other tax system.

The Columbia (UK) Fund Limited solves that problem. It is simultaneously governed by English and US law. Columbia owns all of the share capital of the Fund, and it has made an election to be treated as a “disregarded entity” for US tax purposes. The Columbia (UK) Fund Limited is registered as a charity with the Charity Commission and simultaneously qualifies as a foreign branch of the US exempt organization.

The effect of this election is that a gift to the Columbia (UK) Fund Limited is eligible for income tax benefits in both the US and UK. Gifts to the UK Fund can be made in sterling, euros and US dollars. For UK tax purposes, the gift is to the English charity and is therefore eligible for Gift Aid relief. For US tax purposes, the gift is treated as a gift to a US qualified exempt organization that will give rise to a US income tax deduction.

To Make a Gift By Cheque:
Please send a cheque made out to Columbia UK Fund Limited and payable in pounds sterling to:
Eileen Flood
Administrator
Columbia UK Fund
19 Norcott Road
London N16 7EJ

Be sure to include a Gift Aid Declaration Form and let us know which part of the university you want to support.

To Wire Transfer and for More Details:
Contact Lenia Chaves, Associate Director for Gift Administration, Office of Planning at lc15@columbia.edu or gift.planning@columbia.edu or 001-212-851-7473