



Advice Sheet (MW2): Tax Relief on Membership Subscription Fees

This guidance note provides a quick overview of the tax relief available to members of professional and learned society membership organisations and associations that have gained tax relief approval (on membership subscription fees) from HMRC. It also provides details on how your organisation can apply.

Why should my organisation consider applying?

On successful approval from HMRC, professional and learned society membership organisations and associations become eligible organisations for members to claim tax relief for their annual membership subscription fees.

Example - John Brown is a Fellow of the Chartered Institute of X. The institute is 'approved' by HMRC and charges an annual membership of £100 for Fellowship. If John Brown pays the basic rate of tax (20%) he is eligible to claim £20 against his annual income tax bill. If John Brown pays the higher rate (40%) of tax he is eligible to claim £40.

By gaining HMRC approval you will be able to substantially reduce the actual cost of membership (without discounting fees) in real terms and therefore membership may be more attractive/affordable to non-members. HMRC approval and the consequent tax relief can therefore help you attract new members and retain existing members.

HMRC allow tax relief here because they accept that membership of such organisations can often be a necessary requirement of the member's work. However, please note that if the membership subscription is paid by the employer there is no tax relief available to the benefiting employee.

Case Study - The Chartered Insurance Institute (CII) is a membership organisation that has gained approval. Related information is communicated on a [dedicated web page](#).

How does my membership organisation or association apply?

Your organisation should contact the HMRC Charities Helpline on (0845) 302 0203 or email charities@hmrc.gov.uk. See: [List of approved bodies](#). HMRC will wish to satisfy themselves that the organisation is truly a professional/learned society before giving their approval.

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Bates Wells & Braithwaite can advise your organisation whether they should be eligible for approval by HMRC and can help you in any negotiations you have with HMRC in order to become an approved membership body. In addition BWB can offer legal advice on the full range of issues faced by membership bodies, including corporate, constitutional, competition, data protection, employment, membership disputes etc.

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