

# United Kingdom and Republic of Ireland Memo

## HOW TO DONATE MATERIALS ?

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Do you want to supply materials to a charity, whether it is supported by the Saint-Gobain Foundation or not?

It is very simple. You just need to comply with a few rules:

- **WHAT CAN BE DONATED & WHAT CANNOT BE DONATED**

You can donate products manufactured and/ or commercialised by the sponsor or by other entities whether they are new or used.

However, you should not donate materials, accessories or tools that are considered waste (that the owner would like to throw away due their serious defects or whose life validity expired).

- **INFORMATION TO BE GIVEN**

You should inform the beneficiary that donated goods can be used only according to the purpose mentioned in written sponsorship agreement and that the goods are not for resale.

- **TAX TREATMENT**

**VAT** - donations of goods result in a VAT cost to the supplier in all EU Member States, subject to financial limits, e.g. goods costing less than £50 per year per beneficiary in UK, EUR 20 in Ireland, EUR 65 France. If these very modest limits are exceeded the supplier must account to the tax authority for VAT on the cost of the goods given away.

**Corporate Tax (UK)** - in the UK the cost of goods given away would be allowable as expenses incurred for business purposes.

**Corporate Tax (Ireland)** – in the Republic of Ireland the cost of building materials donated free of charge should be deductible for corporation tax purposes as being wholly and exclusively for the purposes of the trade as the donation of the building materials promotes the reputation of the company and of its products/brands. This assumes that the cost of the building materials will form part of Cost of Sales and will not be separately highlighted in the accounts as a line item with a description such as "Charitable donations" as there is a particular regime for charitable donations in the Republic of Ireland and only donations to "eligible charities" qualify for a tax deduction.

If there is any doubt about the tax position, you should contact the Delegation's Tax team.

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- **ACCOUNTING TREATMENT**

Donations should be recorded at cost (plus VAT if applicable) in the same manner as a cash donation.

[Access the donation contract template.](#)