The childcare element of working tax credit



Working tax credit is a payment from the government to support working families on low incomes. If you have at least one child or are responsible for bringing up children and are paying for registered childcare, you may qualify for the childcare element of working tax credit.

The childcare element could pay up to 70 per cent of childcare costs depending on your individual circumstances. You should contact the Tax Credit Helpline on 0845 300 3900 to see whether you could benefit from this scheme.

You can apply if:

- you are a single parent aged 16 or over and work at least 16 hours a week
- you are a couple where both are aged 16 or over and both work at least 16 hours a week or one of you is disabled
- you pay for registered childcare: eg a registered childminder, a nursery or after-school club or holiday play scheme.
- Please note that informal childcare such as friends or relatives is not eligible.

The childcare element can help with up to 70 per cent of your eligible childcare costs and there are limits on the weekly costs you can claim. If you pay childcare for:

- one child the maximum you can claim is £175 a week. You can claim up to 70 per cent of these costs (that is £175 x 70 per cent = £122.50).
- two or more children the maximum is £300 a week. You can claim up to 70 per cent of these costs (that is £300 x 70 per cent = £210).

For further information on working tax and childcare tax credits, please refer to <u>childcare tax credits</u> or telephone them on 0845 300 3900.