revenue benefits

EXAMPLE 4

Once Joyce's second child is born she needs to claim childcare costs of £150 per week.

Her first relevant period will be calculated in the same way as Example 2 giving entitlement for those 117 days of £1,800.69.Her second will be calculated as follows:

For the second relevant period 1/8/16 – 05/04/17 (248 days)

	£	£
WTC basic	*5.37*	
WTC lone parent	*5.51*	
WTC 30 hour	*2.22*	
CTC child element (first child)	*7.62*	
CTC child element (second child)	*7.62*	
CTC family element	*1.50*	
MAX CREDITS (excluding childcare) 29.84 x 248 days		*7,400.32*
WTC Childcare element		*3,709.82*
£150 x 52/365 x 248 = £5,299.73 x 70%		
MAXIMUM CREDITS (incl.childcare)		*11,110.14*

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Income	*8,493.15*	
12,500 x 248/365*		
Less threshold	*4,362.09*	
6,420 x 248/365**	‾‾‾‾‾‾‾	
'Excess income'*	*4131.06*	
	x 41%	
	‾‾‾‾‾‾‾	
Reduction due to income	*1,693.73*	*(*
1,693.73)		

TOTAL for RP 2   (£11,110.14 - £1,693.73)   **9416.41**

Overall total for 2016-2017 (1,800.69+9,416.41)   **11,217.10**

* - Income and 'excess income' is rounded down to the nearest penny
** - The threshold is rounded up to the nearest penny