HM Revenue & Customs

TAX CREDITS
TC600 NOTES

How to complete your tax credits claim form for 2006

Form TC600 *Tax credits claim* is supplied with these Notes

Please keep these Notes for future reference
April 2006

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How to contact us

When you contact us, please tell us

- your full name
- your National Insurance number, and
- a daytime phone number.

You can

phone the Helpline

between 08:00 and 20:00

The Helpline numbers are shown below. There are also numbers for people with speech or hearing difficulties who use a Minicom or Textphone. Please take care to use the right number. To make sure we give good service to our customers we need to monitor some of our calls. If you phone us but do not want your call monitored, please tell us straight away.

England, Scotland and Wales	**Phone 0845 300 3900** **Minicom/Textphone 0845 300 3909**
If you prefer to speak in Welsh	**Phone 0845 302 1489**
Northern Ireland or another country in the EEA	**Phone 0845 603 2000** **Minicom/Textphone 0845 607 6078**

If you are living overseas and can't get through on the Helpline numbers shown, please call **00 44 28 9080 8316** or write to us at the address shown below.

write to us

at the address shown on your award notice, or

Tax Credit Office, Preston, PR1 0SB.

About Child Tax Credit and Working Tax Credit

These Notes will help you fill in the tax credits claim form. Please phone the Helpline if you need more help.

Please also phone the Helpline if you want

- **a large print or Braille version of these Notes,**
- **a Welsh language version of the form and Notes, or**
- **help in another language.**

Introduction

You can claim two tax credits: Child Tax Credit and Working Tax Credit.

To claim, fill in form TC600 *Tax credits claim*, supplied with these Notes. These Notes will help you complete it.

You could lose money if you wait to claim. Tax credits can normally only be backdated up to 3 months. For example, if you claim for a child born 6 weeks ago, we will backdate your claim to the child's date of birth. But if you do not claim until the child is 4 months old, we will only backdate your claim for 3 months.

Can you claim?

To qualify for tax credits you must be aged 16 or over and live in the United Kingdom (UK). The United Kingdom is England, Scotland, Wales and Northern Ireland. See the following pages for other conditions that apply to Child Tax Credit and Working Tax Credit.

For tax credits purposes, you live in the UK if your main home is in the UK (although you may go abroad from time to time for holidays or on business).

You may also qualify if you do not live in the UK but you are

- a citizen of another country in the European Economic Area (EEA) (see table aside) or of Switzerland, and you work in the UK, or
- a Crown Servant posted overseas or their accompanying partner, or
- a citizen of
  - a country in the European Economic Area (EEA), (see table aside) including the UK, **or**
  - Switzerland

  living in the EEA or Switzerland, and you receive a UK state pension or contributions-based Jobseeker's Allowance.

You may not be entitled to tax credits if your right to enter or remain in the UK is on the condition that you do not have recourse to public funds.

To claim Child Tax Credit you must also have a right to reside in the UK, under either UK or EC law.

More information about these rules can be found at **www.hmrc.gov.uk/taxcredits/residence-rules.htm**
Phone the Helpline if you need more help.

Countries in the European Economic Area (EEA)

Austria	Liechtenstein
Belgium	Lithuania
Denmark	Luxembourg
Cyprus	Malta
Czech Republic	
Estonia	Netherlands
Finland	Norway
France	Poland
Germany	Portugal
Greece	Slovakia
Hungary	Slovenia
Iceland	Spain
Ireland	Sweden
Italy	UK
Latvia	

If you are living overseas and you can't get through on the Helpline numbers, please call **00 44 28 9080 8316**.

Couples

The term *couple* means a man and a woman who are

- married to each other, or
- living together as if married.

If you have separated from your husband or wife, make an individual claim. You are not separated if one of you is living away from home temporarily and it is your intention to continue as a couple in the future. For example, one of you may be working and living away from home, or in hospital.

From 5 December 2005, this definition is extended by the Civil Partnership Act to include two people of the same sex who are

- in a civil partnership, or
- living together as if they are in a civil partnership.

Couples must make a joint tax credits claim. Both of you must be at least 16 and live in the UK.

The claim form requires information about both of you. You will share responsibility for the information you provide. If you are part of a couple, you **cannot** decide to claim as a single person.

You are **not** a couple for tax credits purposes if

- one of you is under 16 or does not live in the UK (or otherwise qualify as a Crown Servant or EEA citizen – see the previous page). That person cannot claim tax credits, and the other person (if they satisfy the conditions) should make an individual claim.

Income

The amount of tax credits you receive will depend on your annual income. For the purposes of your tax credits claim, your annual income is your income for a tax year (your joint income if you are a couple). The form asks for details of your income for the tax year 2005–2006, which ran from 6 April 2005 until 5 April 2006.

If you have children, you are likely to get some tax credit if your income (your joint income if you are a couple) is less than £58,000 a year (or £66,000 if you have a child under the age of one). If you don't have children and you are working, you are likely to get some tax credit if you are single and your income is less than £11,450 a year, or if your joint income as a couple is less than £15,900 a year.

The final amount of tax credits due will be based on your actual income for the year ended 5 April 2007. We will contact you after that date if we need income details from you.

Child Tax Credit

Child Tax Credit is for people who are responsible for at least one child or *qualifying young person* (see below). You should claim if you have a child or qualifying young person who usually lives with you.

You do not have to be working to claim Child Tax Credit.

Children and qualifying young people

For Child Tax Credit purposes

- a person is a child until 1 September following their 16th birthday

- a qualifying young person is anyone over the age of 16, but under the age of 19, and who is
  - in full time, non-advanced education (see the notes on page 14), or
  - on an approved training course (see the list of courses on page 15)

  or

  anyone under the age of 18 who has
  - has left full time education, and
  - registered with the Careers Service, Connexions Service or equivalent, for employment, education or training (see page 14).

Where a qualifying young person

- reaches age 19 on or after 6 April 2006, and
- they started a course of full time, non-advanced education or approved training before they reached age 19

they will continue to be a qualifying young person until whichever of the following happens first

- they complete their course, or
- they reach age 20.

For the rest of these Notes and on the form, where we use the term *child/children* we also include *qualifying young person/people*.

How Child Tax Credit is made up

Child Tax Credit is made up of the following:

- **Family element** – the basic element for families responsible for one or more children. A higher rate of family element, often known as the *baby element*, is paid to families with one or more children under one year old. There is only one family element for each family, regardless of how many children usually live with you.
- **Child element** – one for each child you are responsible for.
- **Disability element** – one for each child you are responsible for if
  - you are receiving Disability Living Allowance for the child, or
  - the child is registered blind or has been taken off the blind register in the 28 weeks before the date of claim.
- **Severe disability element** – one for each child you are responsible for if you receive Disability Living Allowance (Highest Care Component) for the child.

Child Tax Credit and Income Support or income-based Jobseeker's Allowance

If you are receiving payments in your Income Support or income-based Jobseeker's Allowance for your child or children, you do not need to claim Child Tax Credit. If you want to claim Child Tax Credit, then any tax credit you receive will be counted as income for benefit purposes. This means it will reduce the Income Support or income-based Jobseeker's Allowance you get. If you receive Child Tax Credit, remember to tell your Jobcentre Plus/Social Security Agency office how much you are getting and when it started.

You may wish to claim if you think you will be better off on tax credits. Your Jobcentre Plus/Social Security Agency office can tell you how your entitlement to Income Support or income-based Jobseeker's Allowance will be affected by making a tax credit claim.

Tax credits and Housing Benefit and Council Tax Benefit

Any tax credits you receive will be counted as income for Housing Benefit and Council Tax Benefit purposes. If you receive any tax credits, you should tell your Housing Benefit office or Council Tax Benefit office how much you are getting and when it started.

Working Tax Credit

Working Tax Credit is for people who are employed or self-employed (either on their own or in partnership), who

- get paid for their work
- expect to go on working for at least 4 weeks

and who are either

- aged 16 or over and responsible for at least one child, and usually working at least 16 hours a week, or
- aged 16 or over and disabled, and usually working at least 16 hours a week, or
- aged 50 or over and are starting work after receiving certain benefits for at least 6 months (see pages 29 to 30) and usually working at least 16 hours a week, or
- aged 25 or over and usually working at least 30 hours a week.

How Working Tax Credit is made up

Working Tax Credit is made up of the following:

- **Basic element** – paid to any working person who meets the conditions.
- **Lone parent element** – for lone parents.
- **Couples element** – for couples.
- **30 hour element** – for people who work at least 30 hours a week. Couples with at least one child can claim the 30 hour element if they work at least 30 hours a week between them providing at least one of them works 16 hours or more a week.
- **Disability element** – for people with a disability (see the notes on page 12 and pages 53 to 55).
- **Severe disability element** – for people with a severe disability (see the notes for box 1.12 on page 12).
- **50 plus element** – for people aged 50 or over who are starting work after a period on benefits (see the notes for box 4.4 on pages 29 to 30).
- **Child care element** – for people who spend money on registered or approved child care (see the notes beginning on page 18).

Filling in the claim form

Your claim form will be machine read, so to help us deal with your claim quickly it is important that you

- use **black** ink
- write inside the boxes
- use CAPITAL letters. Use one box for each letter and leave a space between words.

Please do not write outside the boxes on the form, unless you make a mistake.

If you make a mistake, put a line through your entry.
Please do not use correcting fluid on the claim form.
Write the correct information either immediately to the right of or underneath the relevant box.

Leave blank boxes that do not apply to you.
Do not write 'NOT APPLICABLE' or strike through boxes that do not apply.

Helplines	08:00–20:00
England, Scotland, Wales	
Phone	0845 300 3900
Textphone	0845 300 3909
Northern Ireland	
Phone	0845 603 2000
Textphone	0845 607 6078

Read all the questions carefully. Check these Notes if you are not sure about your answer. If you need help, phone the Helpline.

Pages 3 and 4 of the form ask for details of how many children you are responsible for and any child care providers you use.
There is space for 2 children and one child care provider. If you are responsible for more than 2 children or use more than one child care provider, fill in form TC600A *Additional pages* that was sent to you with your claim form.

If you have more than 5 children or use more than 3 child care providers, please take photocopies of form TC600A *Additional pages* before filling it in.

Couples

If you are part of a couple, give details of one of you in the YOU column and the other in the YOUR PARTNER column. It makes no difference who completes which column, as long as this stays the same throughout the form.

You share responsibility for all the information on the claim form, so

- you must both check that the information given on the claim form is correct, and
- you must each sign and date a declaration on page 11 of the claim form.

Appointees

Complete the APPOINTEE section on page 11 of the form if you have been appointed to act by one or more of the following

- a court of law, or
- the Department for Work and Pensions, or
- the Department for Social Development, or
- us, when you have made a previous claim for the claimant(s).

You will need to tell us the date you were appointed to act and who appointed you. You can also use the APPOINTEE section to apply to be appointed if you are acting as Appointee for the first time.

Important – Before you complete the APPOINTEE section, please see page 52 of these Notes.

Part 1 Personal details

Box numbers refer to boxes on the form

1.1 Your title and surname

Tell us how you like to be addressed, for example MR, MRS, MISS, MS, or any other title, such as DR. Then enter your surname.

1.2 First name(s)

Enter your first name(s). If you have several, just enter as many as will fit in the boxes.

1.3 Address

We ask for your postcode and house number first. This makes it easier for us to check whether we have your correct address.

If you are claiming with your partner, and you both live at the same address, just put your address in the YOU column.

1.4 Date of birth

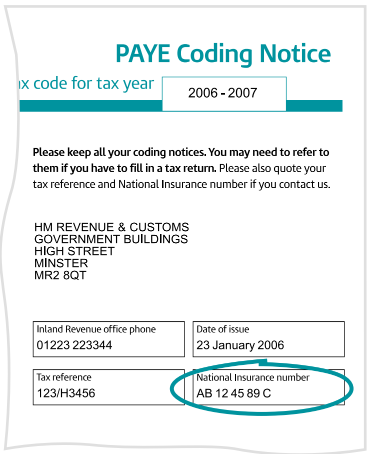
Please enter your date of birth in figures. For example 29 04 1967.

1.5 National Insurance number

We need your National Insurance number to deal with your claim. It should have the same format as the National Insurance number shown here – 2 letters, 6 numbers, then 1 letter. You can find it on

- your National Insurance Numbercard
- your P2 *PAYE Coding Notice* from us
- your P60 *End of year certificate* that you get from your employer after the end of each tax year, or
- any letter from us, or the Department for Work and Pensions, or Jobcentre Plus (in Northern Ireland, from the Department for Social Development or Social Security Agency).

P2



PAYE Coding Notice

ıx code for tax year	2006 - 2007

Please keep all your coding notices. You may need to refer to them if you have to fill in a tax return. Please also quote your tax reference and National Insurance number if you contact us.

HM REVENUE & CUSTOMS
GOVERNMENT BUILDINGS
HIGH STREET
MINSTER
MR2 8QT

Inland Revenue office phone	Date of issue
01223 223344	23 January 2006
Tax reference	National Insurance number
123/H3456	AB 12 45 89 C

It may also be on the payslips you get from your employer.

If you do not enter a National Insurance number, your claim could be delayed. It may not be valid and we may not be able to pay you any tax credits.

If you do not know your National Insurance number, contact your local Department for Work and Pensions or Jobcentre Plus office (for Northern Ireland contact your local Department for Social Development or Social Security Agency office). It will be listed in the Phone Book/Yellow Pages under *Department for...*

If you are sure you have never had a National Insurance number please still make your claim now. Use a separate sheet of paper with your name and address on it giving the reason why you do not have a National Insurance number, for example, Asylum Seeker or non UK national married to a UK national. If you have underlying entitlement to tax credits we will ask you to go to an interview at your local Jobcentre Plus (in Northern Ireland, Social Security Agency office) before a number is issued to you.

Helplines	08:00–20:00
England, Scotland, Wales	
Phone	0845 300 3900
Textphone	0845 300 3909
Northern Ireland	
Phone	0845 603 2000
Textphone	0845 607 6078

1.6 Phone numbers

To avoid any delay in processing your claim, we would like to phone you if we have any questions about your claim. Please give the phone number(s) you want us to use.

1.7 Male or female

Put 'X' in one box.

1.8 Have you been subject to immigration control in the last 3 months?

If you are currently subject to immigration control, or have been in the last 3 months, put an 'X' in the 'Yes' box.

You are subject to immigration control if

- the Home Office says your leave to remain in the UK is on the condition that you do not have recourse to public funds, or
- you require leave to enter or remain in the UK, but do not have it.

If you are subject to immigration control, you may still be entitled to tax credits if

- you are claiming as a couple and only one of you is subject to immigration control
- you are a family member of a national of a country in the European Economic Area (see table aside) or of Switzerland
- you are a sponsored immigrant under the Home Office rules
- you (or your partner) are legally working in the UK and are nationals of Algeria, Morocco, San Marino, Tunisia or Turkey.

You are **not** subject to immigration control if you are

- a UK national
- a national of another country in the European Economic Area, (see table aside) or of Switzerland
- someone who has been granted leave to remain in the UK indefinitely (including those with exceptional leave to remain)
- someone who has been granted asylum in the UK.

Phone the Helpline if you are not sure whether or not you are subject to immigration control.

Countries in the European Economic Area (EEA)

Austria	Liechtenstein
Belgium	Lithuania
Denmark	Luxembourg
Cyprus	Malta
Czech Republic	
Estonia	Netherlands
Finland	Norway
France	Poland
Germany	Portugal
Greece	Slovakia
Hungary	Slovenia
Iceland	Spain
Ireland	Sweden
Italy	UK
Latvia	

If you are living overseas and you can't get through on the Helpline numbers, please call **00 44 28 9080 8316**.

1.9 Where you usually live

You usually live in the UK if your main home is in the UK (England, Scotland, Wales or Northern Ireland), although you may go abroad from time to time on holiday or on business. If you do not live in the UK, you may still qualify for tax credits in certain circumstances – see page 5. If this applies to you, please tell us the country where you live.

1.10 **Other names**

Enter in box 1.10 any other names you use, or have used, when contacting government departments. For example, you may have married and changed your name as a consequence. Just give as many of your other names as will fit into the boxes.

Disability

If you (or your partner) are disabled, this could increase any tax credits you get. Read the following notes to decide whether boxes 1.11 to 1.12 apply to you.

1.11 **Disability**

You can get a disability element of Working Tax Credit if you meet **all** of the following 3 qualifying conditions:

- you usually work for 16 hours or more a week (see pages 26 to 28), **and**
- you have a disability which puts you at a disadvantage in getting a job, **and**
- either
  - you meet the 'qualifying benefit' test, **or**
  - you are returning to work after a recent period of sickness and are eligible to use the 'Fast-Track' route to a disability element.

For more information on the tests you have to meet to show that you are at a disadvantage in getting a job, please see page 53. For details of the 'qualifying benefit' test or the 'Fast-Track' rules, see pages 54 to 55.

If you have made a claim for one of the benefits listed on pages 54 to 55 but are waiting for a decision on entitlement, you should attach a letter to the claim form giving details of when you made the claim. In this case, please leave box 1.11 blank. If you are later told that you are entitled to one of the benefits, you should let us know immediately.

We may ask you to nominate a professional who can confirm how your disability affects you – for example, an occupational therapist, community or district nurse, or doctor.

You cannot get a disability element if you do not meet these tests. In this case, please leave box 1.11 blank.

1.12 **Disability Living Allowance (Highest Care Component) or Attendance Allowance (Higher Rate)**

If you receive one of these benefits and you qualify for Working Tax Credit, you can get the severe disability element of the tax credit. The person who gets one of these benefits does not have to be the person who is working.

Leave box 1.12 blank if you receive payment of either of these benefits on behalf of a child – see the notes for box 2.4 on page 15.

If you have made a claim for one of these benefits, but are waiting for a decision on whether or not it is due, please attach a letter to your claim form giving details of when you made the claim. **You should leave box 1.12 blank**. Please tell us immediately if you are later told that you are entitled to one of these benefits.

Fill in Part 2 of the form if you are the person mainly responsible for at least one child or qualifying young person. For Child Tax Credit purposes you are mainly responsible for a child if he or she usually lives with you. You will be mainly responsible even if, at the time of claim, that child is temporarily away from home. For example, because they are on holiday, staying with relatives, in hospital, or away at school.

You do not have to be working to claim Child Tax Credit.

If you are in the process of adopting a child or are fostering a child, you can get Child Tax Credit providing the Local Authority (in Northern Ireland, the Health and Social Services Board or Trust) is not paying you for the child's accommodation or maintenance. Your Local Authority (in Northern Ireland, a Health and Social Services Board or Trust) may be making other types of payment for your child, which will not stop you getting the Child Tax Credit. If you receive payments but are unsure what they are for, you should contact your Welfare Officer.

You will not be treated as responsible for a child who

- has claimed tax credits in their own right, or
- having been found guilty of an offence and sentenced by a court, is in custody or detention for a period of 4 months or more, or
- is aged 16 to 18 and is no longer in full time education, unless they are registered with the Careers Service, Connexions Service or equivalent (see page 14).

For the purposes of Child Tax Credit you are not responsible for a child if that child receives Incapacity Benefit in their own right. You should not include that child in your claim even if they still live with you.

The amount of Child Tax Credit depends on the number of children or young people living with you. The form has space for details of up to 2 children. If you are responsible for more than 2 children, you will need to fill in form TC600A *Additional pages* that we sent you with your claim form.

Main responsibility

Helplines 08:00–20:00

England, Scotland, Wales
Phone 0845 300 3900
Textphone 0845 300 3909

Northern Ireland
Phone 0845 603 2000
Textphone 0845 607 6078

If you share the responsibility for a child with another person who is not your partner, only one of you will be able to claim the Child Tax Credit for that child. (Couples must make a joint claim, but only one of you can receive the Child Tax Credit, see page 47.)

Decide which of you has the main responsibility for the child and that person should claim. When looking at who has the main responsibility, something to consider is the amount of time the child lives with you, but other things are also important. If you are unsure what to consider phone the Helpline.

If you cannot agree then both of you must claim and we will decide who gets the Child Tax Credit. To make that decision we will need to contact all claimants to determine which of them has the main responsibility for the child. Any decision on the Child Tax Credit will be based on the information received from the claimants involved. There is a right of appeal against our decision.

Children and qualifying young people

Age rules

You can claim Child Tax Credit for a child up to 1 September after their 16th birthday.

You can also claim for a young person aged 16 to 20 provided they are in full time education (see below) or on an approved training course (see page 15). You can claim Child Tax Credit until a young person's 20th birthday, providing they do not leave full time education or end their training course before that date.

You can also receive Child Tax Credit for a further 20 weeks after a young person leaves full time education, provided they have registered for work or training with the Careers Service, Connexions Service or equivalent (see below), and are still under 18.

Full time education

Young people aged 16 to 19 (or those who are under age 20 and started their current course before they turned 19) are regarded as being in full time education if they are studying

- **at school or college**, or a similar recognised establishment
- **for a qualification up to and including A level, NVQ level 3 or Scottish national qualifications at higher or advanced higher level or equivalent**. This **does not** include studying for a university degree or similar qualification
- **for at least 12 hours a week** during normal term time, not including meal breaks or time spent on unsupervised study.

A young person will still count as being in full time education in any week where

- as part of the curriculum, they are on holiday or preparing for exams
- they are away from school or college due to sickness or ill-health but are intending to return to that course of education
- they have ended one course of education but have registered for another one starting in the following term, and the only reason for not currently studying is that they are waiting for that course to start.

Registering with the Careers Service or Connexions Service

If a young person aged 16 or 17 has left full time education, you may be able to continue to receive tax credits for a further 20 weeks from the date they left full time education, providing they have registered for work or training with

- their local Careers Service or local Connexions Service, available in England, or
- a body authorised for these purposes by the appropriate minister or department in Scotland, Northern Ireland or Wales,

and you tell us about that registration within 3 months of the date they left full time education.

Approved training courses

Young people aged 16 to 19 (or those who are under age 20 and started their current course before they turned 19) are regarded as being in approved training, **if** the course is one of the following and **is not** provided through a contract of employment.

- **England** – Entry to Employment or Programme Led Pathways
- **Scotland** – Get Ready for Work, Skillseekers or Modern Apprenticeships
- **Wales** – Foundation Modern Apprenticeships, Skillbuild or Skillbuild+
- **Northern Ireland** – Access or Jobskills Traineeships

Box numbers refer to boxes on the form

2.1 Surname

Enter the child's surname as it appears on their birth certificate.

2.2 First name(s)

Enter the child's first name(s) as they appear on their birth certificate. If the child has several, just enter as many as will fit into the boxes.

2.3 Date of birth

Enter the child's date of birth in figures. For example 15 01 2002. If the child is 16 or over, make sure you also fill in box 2.6 or 2.7 if appropriate.

2.4 About the child

Put 'X' in as many boxes as apply.

If you have made a claim for Disability Living Allowance but are waiting for a decision on entitlement you should attach a letter to the claim form giving details of the child in question and when you made the claim. Do not put 'X' in the box to state you are in receipt of Disability Living Allowance until a decision is given. If you are later told that you are entitled to Disability Living Allowance for that child, please let us know immediately.

If you receive Disability Living Allowance for your child you may receive the disability element of Child Tax Credit.

If you get Disability Living Allowance (Highest Care Component) for your child, you may receive the severe disability element of Child Tax Credit.

The 28-week period referred to in connection with a child coming off the blind register is the 28 weeks before you fill in the form.

Helplines 08:00–20:00

England, Scotland, Wales
Phone 0845 300 3900
Textphone 0845 300 3909

Northern Ireland
Phone 0845 603 2000
Textphone 0845 607 6078

2.5 The date you became responsible for the child

You can only get Child Tax Credit for a child from the date

- the child started living with you, **and**
- you became the person (or couple) with the main responsibility for that child.

The date a child started to live with you will usually be the date they were born (even if they were born in hospital). But, you may need to put a later date in box 2.5 if, for example

- you become the person with the main responsibility for a child who was previously living with, or the responsibility of, someone else. Enter the date you became responsible
- a child is placed with you for fostering or adoption. Enter the date they started living with you. But if the local authority (in Northern Ireland, the Health and Social Services Board or Trust) is making payments to you for that child, please phone the Helpline
- you are claiming tax credits as a couple. Enter the date the child started living with you and your partner. But if one of you had the main responsibility for the child before you became a couple, you may be able to get tax credits for that earlier period. Phone the Helpline for advice about what to enter in box 2.5
- you are claiming tax credits as a single person, but you were previously responsible for the child as part of a couple. Phone the Helpline for advice about what to enter in box 2.5.

You cannot get Child Tax Credit for a period of more than 3 months before the date you make your claim, no matter how long ago you became responsible for the child or young person.

2.6 Full time education and approved training courses

Put 'X' in the box if this child is in full time, non advanced education (see page 14), or on an approved training course (see page 15), and is either

- aged 16 to 19, or
- under age 20, and started their current course before they turned age 19.

2.7 Careers/Connexions Service

If a child, under age 18, you are responsible for has left full time education and registered with the Careers Service, Connexions Service, or equivalent, for employment, education or training (see page 14), you can get Child Tax Credit for a further 20 weeks from the date they left full time education or approved training.

Enter the date they left full time education or approved training in box 2.7.

2.8 Child Benefit reference number

If you (or your partner) are receiving Child Benefit for any of the children you are claiming for, you must tell us your Child Benefit reference number. You can find this on the letter that the Child Benefit Office sends you each April to tell you how much Child Benefit you will receive.

In some cases we will ask for evidence that the child is living with you (for example, if someone else is receiving Child Benefit for a child that you have included on your tax credits claim). But you should not send any evidence with your claim.

Helplines	08:00–20:00
England, Scotland, Wales	
Phone	0845 300 3900
Textphone	0845 300 3909
Northern Ireland	
Phone	0845 603 2000
Textphone	0845 607 6078

As part of Working Tax Credit you may qualify for help towards the costs of child care.

To claim the child care element of Working Tax Credit,

- lone parents must work 16 hours a week or more
- couples can claim if
  - both of you work 16 hours a week or more, or
  - one of you works 16 hours a week or more **and** the other is treated as incapacitated because he or she meets the conditions outlined in the notes to question 3.8 on page 22, or
  - one of you works 16 hours a week or more **and** the other is an in-patient in hospital, or
  - one of you works 16 hours a week or more **and** the other is in prison.

If you are on maternity leave, adoption leave or paternity leave, you may still be counted as working for the purposes of the child care element. (You must have met the qualifying work conditions immediately before you went on leave.) For more details, please see the conditions outlined in the notes to question 4.2 on pages 26 to 28. Subject to the maximum amounts shown in the table below, you can claim the costs of child care for all your children, including the child care costs of your new child.

The maximum amount of child care element

You can get up to 80% of your child care costs subject to maximum limits on the weekly costs you can claim for.

If you pay for child care for only one child the maximum cost you can claim for is £175 a week. The maximum child care element you would receive is 80% of this weekly limit.

If you pay for child care for 2 or more children the maximum you can claim is £300 a week. The maximum child care element you would receive is 80% of this weekly limit.

The *maximum* weekly amount of child care element you can receive is shown in the table below. However, the actual amount of help you receive will depend on your income.

Number of children	Weekly limit	Maximum rate	Maximum child care element
One child	£175	80%	£175 x 80% = £140.00
Two or more children	£300	80%	£300 x 80% = £240.00

Child's age for child care element

You can claim for any child up to the Saturday following 1 September after their 15th birthday.

But you can claim up to the Saturday following 1 September after a child's 16th birthday if the child is registered blind, or has been taken off the blind register within the last 28 weeks, or you receive Disability Living Allowance for that child. (The 28-week period is the 28 weeks before you fill in the form.)

You must be paying for your child or children to receive child care provided by a person or organisation that is

- a registered childminder, nursery or playscheme
- an out of hours club on school premises run by a school or a Local Authority
- a child care scheme run by an approved provider. For example, an out of school hours scheme
- a child care provider approved under a Ministry of Defence accreditation scheme abroad
- an approved foster carer (the care must be for a child who is not the foster carer's foster child)
- a child carer approved under the Child Care Approval Scheme. (If you use a sitter service you do not need to give details for all your sitters providing they are approved. You should keep details of all the sitters you use, but we only need details of the one you use most frequently)
- a domiciliary worker or nurse from a registered agency who cares for the child or children in your own home. If you think this applies to you, phone the Helpline
- a child carer approved under the Approval of Home Child Care Providers Scheme in Northern Ireland.

A registered childminder, nursery, child care scheme or agency is one that is registered:

- in England, by OFSTED or the Care Standards Commission
- in Wales, by the National Assembly for Wales (through the Care Standards Inspectorate for Wales)
- in Scotland, by the Scottish Commission for the Regulation of Care
- in Northern Ireland, by a Health and Social Services Board or Trust.

Your childminder, nursery, child care scheme or agency will be able to tell you whether or not they are registered.

You cannot claim the costs of any form of child care arrangement that does not fit into one of the categories above.

Child care provided by a relative

You **will not be eligible** for the child care element of Working Tax Credit if your child care is provided by

- a relative of your child, in the child's home. You will not be eligible even if the relative is registered or approved, **or**
- a child carer approved under the Child Care Approval Scheme, who is providing child care away from your child's home, and who is only caring for a child or children they are related to.

A relative of a child means a parent, grandparent, aunt, uncle, brother or sister, whether by blood, half-blood, marriage or civil partnership, or affinity. If you have any questions about the meaning of 'relative', please phone the Helpline.

When an arrangement starts or stops

You cannot continue to receive the child care element once an arrangement with an eligible provider stops, although you can claim if you enter into a new arrangement with another eligible provider.

An arrangement stops when your average weekly costs for that provider reduce to zero.

Claiming the child care element

You must have already entered into an arrangement with a child care provider to be able to claim the child care element. To claim the child care element, complete the details on page 4 of the claim form in full. There is space to fill in the details of one child care provider. If you use more than one child care provider, you will need to fill in form TC600A *Additional pages* that was sent to you with your claim form.

If you do not fill these details in accurately it may take longer to deal with your claim.

Box numbers refer to boxes on the form

Helplines	08:00–20:00
England, Scotland, Wales	
Phone	0845 300 3900
Textphone	0845 300 3909
Northern Ireland	
Phone	0845 603 2000
Textphone	0845 607 6078

3.1 **Child care provider's name**

Enter your child care provider's full name.

3.2 **Child care provider's address**

We ask for the postcode and building number first. This helps us to check that we have the correct address.

3.3 **Child care provider's phone number**

We may contact your provider to check the arrangement you have with them.

3.4
3.5 **Registration or approval details**

You can only get the child care element if your child care provider is approved or registered, so it is essential that you complete these details accurately. Ask your child care provider if you are not sure. Phone the Helpline if you are still unsure.

3.7 **Average weekly child care costs**

The child care element is based on your average weekly child care costs. Round up any pence to the nearest pound.

Using the instructions below, work out your average weekly child care costs and then enter this figure in box 3.7 on the claim form. Round up any pence to the nearest pound.

Only include child care costs you actually pay yourself.

Do not include

- any amounts paid by your employer (whether in money or vouchers)
- the value of any child care vouchers you receive
- any amount paid by a local education authority towards the cost of child care for 3 to 4 year olds.

If you pay for child care weekly and pay the same amount each week, insert that amount.

If you pay for child care costs weekly and you pay different amounts at different times (for example, you pay more in the school holidays than during term time).

- Add up the total amount you have paid for child care in the last 52 weeks. (If you started using child care less than 52 weeks ago, work out what you expect to spend on child care in the next 52 weeks.) Include
  - any increases in costs during the school holidays or at any other times
  - any weeks when you did not pay for child care.
- Divide the total by 52 to work out your average weekly costs.

  Example 1 – Ahmed usually pays £60 a week for registered child care. However, in the Easter holidays, summer holidays and for 2 half term holidays (10 weeks in total) he pays £100.

  His total costs for 52 weeks are (£100 x 10) + (£60 x 42) = £3,520.

  His average weekly costs are therefore £3,520 ÷ 52 = £68.

  Example 2 – June does not pay for child care during term time, but in the school holidays she pays an approved playscheme £110 a week to look after her son. She uses the scheme for 2 weeks in the Easter holidays, 7 weeks in the summer holidays, 1 week at Christmas, and 2 half term holidays (1 week each), making 12 weeks in total.

  Her total costs for 52 weeks are (£110 x 12) + (£0 x 40) = £1,320.

  Her average weekly costs are therefore £1,320 ÷ 52 = £26.

If you pay for child care monthly and pay the same amount each month.

- Work out your average weekly costs by multiplying the amount you paid in the last month by 12 and dividing the total by 52.

If you pay for child care monthly and you pay different amounts at different times (for example, you pay more in the school holidays than during term time).

- Add up the total amount you have paid for child care in the last 12 months. (If you started using child care less than 12 months ago, work out what you expect to spend on child care in the next 12 months.)
- Divide the total by 52 to work out your average weekly costs.

An example follows on page 22.

Helplines	08:00–20:00
England, Scotland, Wales	
Phone	0845 300 3900
Textphone	0845 300 3909
Northern Ireland	
Phone	0845 603 2000
Textphone	0845 607 6078

Example – Carmen pays for registered child care monthly but the amount she pays varies from month to month.

Her monthly payments in the last 12 months were:

£0 for April	£0
£200 a month for February, October and December	£600
£400 a month for July and August	£800
£150 a month for the other 6 months	£900
	£2,300

Carmen's average weekly costs are therefore £2,300 ÷ 52 = £45.

If you have just made an arrangement with a child care provider and have not yet started to pay them.

- Work out your average weekly costs by estimating what you will be paying for each week on average, over the next 52 weeks. You should ask your provider how much they intend to charge you before you give us your estimate. If you overestimate what you are going to pay, your tax credits payment may be reduced later and you may have to pay back any overpayment.

If you pay different amounts of child care costs at different times and you expect to need child care for less than a year (for example, because your child will be starting school in a few months and you will no longer need it) you can estimate your average weekly child care costs. Start in the week you first claim the child care element and finish in the week the child care ceases (include weeks when the costs are zero). Then, divide the costs by the number of weeks you used in your total. You must notify the Tax Credit Office when your child care ceases.

Please round up your average weekly child care costs to the nearest pound. For example, if your average weekly child care costs are £97.12, enter £98 in box 3.7.

3.8 Incapacity and claiming the child care element of Working Tax Credit

You will be treated as incapacitated for the purposes of claiming the child care element of Working Tax Credit if

- you currently receive
  - Disability Living Allowance
  - Attendance Allowance
  - Severe Disablement Allowance
  - Incapacity Benefit at the short-term higher or long-term rate
  - Industrial Injuries Benefit with Constant Attendance Allowance for you
  - War Disablement Pension with Constant Attendance Allowance or Mobility Supplement for you, **or**
- you (or your partner) receive Council Tax Benefit or Housing Benefit with a Disability Premium or Higher Pensioner Premium for you, **or**
- you have been provided with a vehicle under the Invalid Vehicle Scheme.

Changes in your child care arrangements

After you have claimed the child care element, the amount you are due can be adjusted if your child care costs change. You need to tell us about any of the changes listed below so that we pay you the right amount of child care element.

You can tell us about changes

- by phoning the Helpline, or
- by writing to Tax Credit Office, (Change of Circumstances), Preston, PR1 0SB.

What counts as a change?

When working out whether or not your average weekly costs have changed you must use the same method as you used to work out your average weekly costs originally.

You **must** tell us within 3 months if

- your average weekly costs reduce to zero, or
- your average weekly costs go down by £10 or more, for at least 4 weeks in a row.

If you do not tell us about these changes you may be overpaid tax credits and have to pay some back. You may also have to pay a penalty if you have not told us of the change within 3 months.

Also tell us if your average weekly costs rise by £10 or more for at least 4 weeks in a row.

The change to your average weekly costs has to remain in place for at least 4 weeks. **If the change reduces the amount of tax credits you are entitled to, we will only reduce your award after the first 4 weeks of the change so you should tell us as soon as possible**.

If the change increases your tax credits we will increase your award from the first week as long as the change lasts for at least 4 weeks. A change cannot be backdated by more than 3 months.

If you do not tell us about a rise in costs you may not get as much tax credits as you should. To get any increase in your tax credits backdated to the week in which the costs first increased, you must tell us within 3 months of that first week.

How do I work out whether or not my average weekly child care costs have changed?

If your average is based on your total costs for the year divided by 52.

- Work out whether your average weekly costs have changed by looking at what you expect to pay over the next 52 weeks (or 12 months).
- Divide that by 52. If it is £10 or more higher or lower than your current average then you should tell us.
- Because your weekly average is based on a whole year's costs, any change to the weekly average will be treated as being in place for the required 4 consecutive weeks.

An example follows on page 24.

Helplines 08:00–20:00

England, Scotland, Wales
Phone 0845 300 3900
Textphone 0845 300 3909

Northern Ireland
Phone 0845 603 2000
Textphone 0845 607 6078

Example – Shahida usually pays £40 a week for registered child care. However, in the Easter holidays, summer holidays and for 2 half term holidays (10 weeks in total) she pays £120.

Her total costs for 52 weeks are (£120 x 10) + (£40 x 42) = £2,880.

Shahida's average weekly costs are therefore £2,880 ÷ 52 = £56.

In October 2003 she starts to work longer hours and needs her childminder to look after her children for more hours each week. During term time she will now have to pay £50 a week and in the 10 weeks of the holidays she will be paying £140 a week.

Her total costs for the next 52 weeks are (£140 x 10) + (£50 x 42) = £3,500.

Her new average weekly costs are therefore £3,500 ÷ 52 = £68.

That is an increase over her previous average of more than £10. And as it is worked out by looking at costs for a whole year, it is treated as lasting for more than 4 weeks (in fact it will last for a whole year). So Shahida should tell us straight away.

If your average is based on your fixed weekly costs for the past 4 weeks.

- To work out whether your average weekly costs have changed you should look at what you will pay in each of the next 4 weeks. If it is £10 or more higher or lower than your current average in each one of the 4 weeks you should tell us.

Ignore changes of less than £10 in your average weekly costs.

Please phone the Helpline immediately if your costs have changed and you think your child care element needs to be adjusted.

Only complete this part if

- you do paid work as an employee or self-employed person (on your own or in partnership), or
- you will start to do such paid work within the next 7 days – any tax credits you get will be on the basis that you do in fact start that paid work, or
- you (or your partner) are on sick leave or maternity, paternity or adoption leave from work – you may still be treated as working (see pages 27 and 28).

If you are responsible for a child, you may qualify for Working Tax Credit if you are aged 16 or over and you (for couples, one of you) usually work 16 hours a week or more. If you usually work 30 hours or more a week, you may get a higher rate of Working Tax Credit. Couples with at least one child can claim the 30 hour element if they work at least 30 hours a week between them providing at least one of them works 16 hours or more a week.

If you have a disability, you may qualify for Working Tax Credit if you are aged 16 or over and you (or for couples, the partner with the disability) usually work 16 hours a week or more.

If you are not responsible for a child and do not have a disability, you may still qualify for Working Tax Credit if you are aged 25 or over and you usually work 30 hours a week or more.

If your current working hours are less than 16 (or 30 if you do not have children or a disability) you will not get Working Tax Credit. If you are part of a couple and both of you work, we need work details for both of you.

If you are aged 50 or over, even if you are not responsible for a child and do not have a disability, you may still qualify for Working Tax Credit if you are starting work for at least 16 hours a week after receiving certain benefits for at least 6 months. See the notes for box 4.4 on pages 29 to 30.

If you are claiming Working Tax Credit as a couple and one of you is serving a custodial sentence of more than 12 months, please phone the Helpline for advice.

Box numbers refer to boxes on the form

4.1 Place of work

Put 'X' in the box if you usually work in the United Kingdom (that is England, Scotland, Wales or Northern Ireland), even though you may go abroad from time to time as part of your work. If you usually work outside the United Kingdom, enter the country in which you usually work.

Helplines 08:00–20:00

England, Scotland, Wales
Phone 0845 300 3900
Textphone 0845 300 3909

Northern Ireland
Phone 0845 603 2000
Textphone 0845 607 6078

4.2 Usual hours

If you are an employee, enter the total number of hours you **usually** work and are paid for each week, in all the jobs you do. Include overtime if this regularly forms part of your working week. If your hours vary from week to week, enter the number of hours a week that you and your employer(s) consider to be your usual working hours.

If you are self-employed, enter the number of hours you spend working in your business in a normal week.

If you do seasonal work, or work more hours at certain times of the year, enter the number of hours a week you are working now.

If you work only during school terms, and your work forms a regular pattern over the year, enter the number of hours a week you work during school terms.

These examples may help you work out your usual working hours:

Example 1 – Jim usually works 28 hours a week. This week he took 2 days off unpaid and only worked 17 hours. But he expects to work 28 hours next week, and each week for the foreseeable future. So his usual hours are 28 hours a week.

Example 2 – Bill is contracted to work 25 hours a week. This week he has also done 10 hours of overtime. Last week, Bill did no overtime at all, but most weeks he does 5 hours of overtime. His usual hours are therefore 30 hours a week, made up of the 25 hours a week he is contracted to work, and the 5 hours overtime he usually does each week. The fact that in the last couple of weeks he has not worked exactly 30 hours does not matter.

Example 3 – Every fortnight, Sue works 14 hours one week, and 18 hours the next. This hardly ever changes. To work out her usual weekly hours, she should therefore look at the average number of hours she works over this regular cycle. Sue's usual hours are therefore 16 hours a week.

Example 4 – Mick has worked 30 hours a week for the last 12 months. But 2 weeks ago he left his job. Although he is looking for a new job, he is not currently working at all. His usual hours are therefore nil. The fact that he has worked until recently doesn't affect this.

Example 5 – Anne has not worked at all for the last 10 years. She started a new job last week, working 20 hours a week. Her usual hours are therefore 20 hours a week. The fact that she only started last week does not alter the fact that she now usually works 20 hours a week.

Example 6 – Sam usually does 35 hours seasonal work a week for 3 months each summer. She can claim Working Tax Credit during this 3-month period, but when she finishes this seasonal work, her Working Tax Credit will stop, unless she gets another job within a week of finishing. She cannot get Working Tax Credit until the next period in which her usual hours of work are high enough for her to qualify again.

Example 7 – Mary works as a school dinner lady for 18 hours a week during term time. Her usual working hours are therefore 18 hours a week. It does not matter that she does not work at all in the school holidays, because these holidays are part of her regular annual working cycle and do not count in the calculation of usual working hours.

If you need more help in deciding how many hours you usually work, please phone the Helpline.

Sickness

In certain circumstances you can continue receiving Working Tax Credit if you are on sick leave and expect to return to work when you recover. Your usual hours are the hours you usually worked immediately before you became ill.

Similarly, if you have temporarily reduced your hours because of sickness but you and your employer expect you to return to your usual working pattern, enter your usual hours. If you are not sure, please phone the Helpline.

If you are off work for up to 28 weeks because of illness and you are receiving either

- Statutory Sick Pay (SSP), or
- Short-term Incapacity Benefit at the lower rate, or
- Income Support paid on the grounds of incapacity for work, or
- National Insurance credits on the grounds of incapacity for work,

you will still be able to claim Working Tax Credit providing your usual working hours were at least 16 or 30 hours a week (whichever applied) immediately before you started to receive any of these benefits. This applies to employees and the self-employed. **Your entitlement to Working Tax Credit will end after 28 weeks** (unless you return to work) even if you continue to receive sickness pay from your employer, or one of the benefits listed above.

Maternity leave

Most women receive Statutory Maternity Pay (SMP) or Maternity Allowance (MA) for the first 26 weeks of maternity leave (known as ordinary maternity leave). This can be followed by up to 26 weeks of unpaid leave, known as additional maternity leave.

For the 26 weeks of ordinary maternity leave, whether or not you are receiving SMP or MA, your usual hours are the hours you usually worked immediately before your ordinary maternity leave, SMP or MA started. You are still treated as being in work and able to claim Working Tax Credit providing your usual working hours were at least 16 or 30 hours a week (whichever applied) immediately before you started to receive either of these benefits. If you are a first-time mother, you can claim Working Tax Credit from the date of birth of your first child, providing your usual working hours were at least 16 hours a week immediately before your maternity leave began.

When the 26 weeks of ordinary maternity leave are over, you continue to be eligible for Working Tax Credit if you begin to work again at that point. **Any further additional maternity leave (whether paid or unpaid) does not count as being in work and you are not eligible for Working Tax Credit for this period.**

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Northern Ireland	
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Adoption or paternity leave

If you adopt a child, you may be eligible for 26 weeks ordinary adoption leave, for which you may get Statutory Adoption Pay (SAP) followed by 26 weeks additional (unpaid) adoption leave.

New fathers may be eligible for 2 weeks paternity leave and be paid Statutory Paternity Pay (SPP) for those 2 weeks.

If you are on ordinary adoption leave or paternity leave, your usual working hours are the hours that you usually worked immediately before that leave began. You are still treated as being in work and able to claim Working Tax Credit providing you usually worked at least 16 or 30 hours a week (whichever applied) immediately before you started to receive either of these benefits. This also applies if you are self-employed. If you are a first-time parent, you can claim Working Tax Credit from the date of placement for adoption or birth of your first child, providing your usual working hours were at least 16 hours a week immediately before your adoption or paternity leave began.

When the 26 weeks of ordinary adoption leave are over, you continue to be eligible for Working Tax Credit if you begin to work again at that point. **Any further additional adoption leave (whether paid or unpaid) does not count as being in work and you are not eligible for Working Tax Credit for this period.**

Strike periods

If you are on strike for a period of up to 10 consecutive days on which you should have been working, your usual working hours are the hours that you usually worked immediately before the strike period began. You are still treated as being in work and able to claim Working Tax Credit providing you usually worked at least 16 or 30 hours a week (whichever applied) immediately before going on strike. From the 11th consecutive day of any strike action, you are no longer due Working Tax Credit. You cannot make a new claim for Working Tax Credit until you have resumed work.

If you are suspended from work

If you are suspended from work while complaints or allegations against you are investigated, your usual working hours are the hours that you usually worked immediately before you were suspended. You are still treated as being in work and able to claim Working Tax Credit providing you usually worked at least 16 or 30 hours a week (whichever applied) immediately before the suspension began.

Pay in lieu of notice

If you leave your job and receive pay in lieu of notice, you do not count as being in work for tax credits purposes during the period for which you receive the pay. But if you get another job during that period, you may still qualify for Working Tax Credit on the basis of that new job.

4.3 Starting work or changing your hours, and coming off benefits

Fill in this question if you have previously claimed Income Support, income-based Jobseeker's Allowance or Pension Credit, but stopped in the last 3 months. Enter the date that you started work or your hours changed so that you no longer qualified for these benefits.

4.4 '50 plus' element

The 50 plus element applies to those who are aged 50 or over on the date they return to work, after receiving one of a range of qualifying benefits for at least 6 months. It is payable for 12 months from the date you return to work.

Enter the date you (or your partner if you have one) started work (or are going to start work), if you

- are 50 or over, **and**
- are starting work for at least 16 hours a week, **and**
- were getting one or more of the following benefits for the 6 months before you started work:
  - Income Support
  - Jobseeker's Allowance
  - Incapacity Benefit
  - Severe Disablement Allowance
  - Pension Credit
  - a training allowance paid while you were undertaking government run training such as Work-Based Learning for Adults, or Training for Work.

You can also claim if you have been signing on for National Insurance Credits for 6 months. If you received Carer's Allowance, Bereavement Allowance or Widowed Parent's Allowance before making a successful claim to one of the benefits listed above, the period during which you received any of these allowances will count towards this 6-month period.

If you are starting work but your partner was receiving one of the benefits listed you can still qualify if a dependent supplement was paid as part of the benefit. If you have had short breaks (lasting no more than 12 weeks each) between periods on benefit, you may still be eligible for the 50 plus element of Working Tax Credit.

If you meet the above conditions, you will get the basic element of Working Tax Credit and the 50 plus element. You may also get other elements of Working Tax Credit that apply to you, such as the couples element or disability element, but only if

- you are responsible for at least one child, or
- you are disabled, or
- you work 30 or more hours a week.

Helplines 08:00–20:00

England, Scotland, Wales
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Northern Ireland
Phone 0845 603 2000
Textphone 0845 607 6078

If this is not your first claim for Working Tax Credit and you do not satisfy the rules on page 29, you may still need to tick box 4.4. If

- you met the rules and received a previous award of Working Tax Credit, including the 50 plus element, for less than 12 months, and
- you are now restarting qualifying remunerative work immediately after a gap in employment or self-employment of no longer than 6 months (26 weeks),

you should tick box 4.4, as you may be entitled to the 50 plus element of Working Tax Credit.

Once you have received the 50 plus element for 12 months you will continue to qualify for Working Tax Credit only if

- you (or your partner) work at least 16 hours a week and have responsibility for a child or qualifying young person, or
- you (or your partner) work at least 16 hours a week and qualify for the disability element of Working Tax Credit, or
- you (or your partner, provided they are aged at least 25) work at least 30 hours a week.

4.5 Your jobs

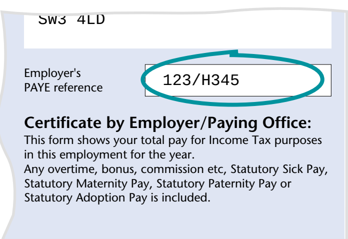
Enter the number of paid jobs you have. If you have one job, put '1' in box 4.5.

4.6 Employer's name

Enter your employer's full name. For example, MAPLE AND SUGDEN LIMITED, not MAPLES.

If you have more than one employer, enter in boxes 4.6 to 4.10 details of the job where you work the **most hours**. If you work the same number of hours for 2 or more employers, choose one employer and enter their details in boxes 4.6 to 4.10.

4.7 Employer's PAYE reference



P60

Please make sure you give us the right reference, in full. It should have the same format as the reference shown here. Look on your **latest** payslip. You will also find it on your P2 *PAYE Coding Notice* from us. Your employer's PAYE reference will also be shown on your P60 *End of year certificate*, which your employer gives you after each tax year. But if you have changed jobs since getting any of these items, make sure that you give us your **current** employer's PAYE reference. Ask your employer if you are not sure.

4.8 Your payroll number

Not everyone has a payroll number, but if you do have one please enter it in full. Look on your payslips or P60 End of year certificate.

4.9 Employer's pay office address

Please enter the address of your pay office. This may not be the same as your workplace or head office. We ask for postcode and building number first. This helps us check that we have the correct address. If there's no building number, include the name of the building in the 'rest of address' box.

4.10 Employer's pay office phone number

Enter the number you would ring to make enquiries about your pay.

Working as a self-employed person or in partnership

Tax Return

4.11 Your tax reference

Enter the 10 digit tax reference number shown on page 1 of your tax return, for example, 12345 98765.

4.12 The date you started self-employment

If you only recently started working for yourself (or in partnership) you may not have told us yet or received a tax return. If you don't know your tax reference, enter the date you started self-employment.

The amount of tax credits you receive depends on your income. For couples it depends on your joint income.

Box numbers refer to boxes on the form

5.1 **Social security benefits**

If you receive or are claiming one of the following, put 'X' in the appropriate box in 5.1 and leave the rest of Part 5 blank.

- Income Support, **except**
  - when you are receiving Income Support or income-based Jobseeker's Allowance as a run-on payment (for example, Lone Parent Run-on) while working at least 16 hours a week – see 'Important exception' below, or
  - if your Income Support has been taxed

  please tell us about the amount of taxable benefit in box 5.2.
- Income-based Jobseeker's Allowance.
- Pension Credit.

You will already have given details of your income to Jobcentre Plus (Social Security Agency in Northern Ireland) as part of your claim for one of these benefits, so there is no need to fill in boxes 5.2 to 5.6.

If you (for couples, either one of you) are receiving one of these benefits you will automatically receive your maximum entitlement to tax credits when you make your tax credits claim.

Your Child Tax Credit will be counted as income for the purposes of your Income Support and income-based Jobseeker's Allowance claim. So you will not receive both the Child Tax Credit and the child allowance part of these benefits at the same time. Any Working Tax Credit you receive while claiming one of these benefits will also be counted as income for the purposes of that benefit. If your claim for Income Support or income-based Jobseeker's Allowance is disallowed, please notify us immediately.

Important exception

We need to know your income if you are still receiving Income Support or income-based Jobseeker's Allowance in the form of a run-on payment, because

- you have started work within the last 2 weeks, or
- you are going to start work within the next 7 days.

If this applies to you (or your partner) please fill in the rest of Part 5.

What income to include in Part 5

On the form **you will need to give details of your income for the tax year 2005–2006. That is, from 6 April 2005 to 5 April 2006.** The notes that follow explain what to put in each box on the form and will help you work out the amounts.

If you are a part of a couple your tax credits award is based on your joint income. That means you each need to supply details of your income individually for the year 2005–2006. Even if you were not a couple in that year or were only together for part of that year, we need details of both of your individual incomes for the whole year.

Helplines	08:00–20:00
England, Scotland, Wales	
Phone	0845 300 3900
Textphone	0845 300 3909
Northern Ireland	
Phone	0845 603 2000
Textphone	0845 607 6078

In general, the income details we ask you to enter in Part 5 are those that would be taken into account for tax purposes. For tax credits, we take into account the gross amount of income you receive, that is, your income before tax and National Insurance contributions have been taken off. If you make contributions from your earnings to buy shares in your employer's company, you should add these contributions back to your gross pay.

There are some differences between the tax credits and income tax rules, so please read the following notes very carefully.

Tax credits relief for Gift Aid payments, pension contributions and trading losses

Deduct

- gross payments under Gift Aid
- gross contributions to an HM Revenue & Customs registered pension scheme, such as an occupational pension scheme, a personal pension plan or a retirement annuity contract (see guidance on page 36), and
- trading losses (see guidance on losses on page 41)

before you complete boxes 5.2 to 5.6 of your form TC600 *Tax credits claim*. If you (or your partner if you have one) made any of the above, phone the Helpline for working sheet TC825 to help you work out the figures to enter.

5.2 Taxable social security benefits

Enter the total taxable social security benefits you (and your partner if you have one) received in 2005–2006. **You only need to include** the social security benefits shown on the working sheet on page 34.

Do not include any other social security benefits.

If you have any of the following benefits, they need to be entered as 'Other income' in box 5.6 (the notes on 'Other income' start on page 41):

State Pensions (including the Retirement Pension), Industrial Death Benefit, Widowed Mother's Allowance, Widowed Parent's Allowance and Widow's Pension.

Your Social Security office may have sent you a record of the taxable amount of benefit you were paid in 2005–2006. Add on any extra amount you were paid in these benefits for your children. **Contact your local Social Security office, or Jobcentre Plus office, if you do not have details of the amount of benefits paid to you in 2005–2006.** For general questions on which benefits to include, phone the Helpline.

Enter overleaf the relevant amount of each benefit you (or your partner) received. Then round down the total to the nearest pound. For example, if the total is £3,456.68 enter £3,456 in box 5.2.

BENEFITS – AMOUNT RECEIVED IN 2005–2006

	You	Your partner
Bereavement Allowance	£	£
Carer's Allowance *(previously called Invalid Care Allowance)* *Including* any child dependency increase.	£	£
Contributions-based Jobseeker's Allowance ***Do not include*** any amounts of income-based Jobseeker's Allowance. If you started work and gave your employer a P45U showing these details, do not include them here.	£	£
Incapacity Benefit *Include* benefit paid after the first 28 weeks of incapacity (at the short term higher and long term rates) together with any child dependency increase. If any tax was deducted from your benefit, enter the amount due before the tax was taken off. *Do **not** include* benefit paid in the first 28 weeks of incapacity (at the short term lower rate) or benefit paid for a period of incapacity that began before 13 April 1995 and for which Invalidity Benefit used to be payable or any child dependency increase with these payments. If you started work and gave your employer a P45U showing these details, do not include them here.	£	£
Income Support This is only taxable if it is payable to a member of a couple and the recipient (but not the recipient's partner) is on strike. ***Do not report*** Income Support if it is not taxable.	£	£
Total to enter at box 5.2 (round down to the nearest pound).	£	£

5.3 Earnings as an employee

Use the working sheet on page 37 to work out your total earnings. If you need more help, phone the Helpline.

Step 1

Enter your total income from all your paid employments in the year 6 April 2005 to 5 April 2006. We need to know the amount **before** taking off Income Tax, National Insurance contributions or other deductions, in particular any contributions from your earnings to buy shares in your employer's company under a Share Incentive Plan (SIP).

Helplines 08:00–20:00

England, Scotland, Wales
Phone 0845 300 3900
Textphone 0845 300 3909

Northern Ireland
Phone 0845 603 2000
Textphone 0845 607 6078

Include

- Statutory Sick Pay. This counts as income for tax credits purposes. (It will already be included in the pay figure on your P60 or P45.)
- Any tips or gratuities you received.
- The taxable part of any payments you received in connection with the termination of an employment, or if the terms of your employment were changed. (Such payments, for example redundancy payments, are taxed if they exceed £30,000. The taxable part is the amount that exceeds the £30,000 exemption.)
- Taxable gains from security options (such as company shares, bonds, Government gilts etc.) acquired by reason of your employment.
- Strike pay which you received from your trade union if you were involved in industrial action (this counts as income for tax credits even though such payments are not taxable as earnings).

Do not include

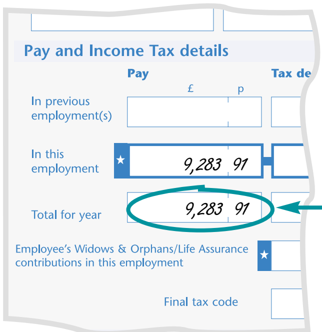
- Any tax credits or New Deal 50+ Employment Credit you received as part of your wages or separately. These credits are not taxed and do not count as income for tax credits purposes.

Deduct

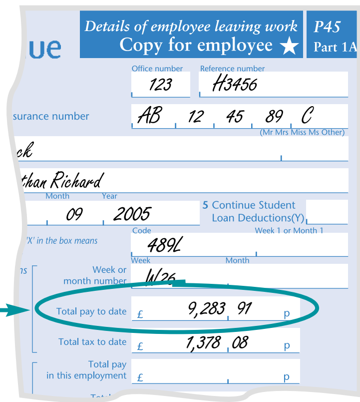
- Contributions to charity under a payroll giving (GAYE) scheme. If the amount for GAYE has been deducted by your employer, no further adjustment is necessary.

Where to find details of your pay from employments in the year 6 April 2005 to 5 April 2006 (2005–2006)

All of your employers in 2005–2006 should have given you a record of your taxable pay. This will be a P60, or a P45 if you left before 5 April 2006.



If you had only one job in the year 2005–2006, copy the figure labelled 'Total for the year' on your P60, **or** 'Total pay to date' on your P45.



If you don't have a P60 or P45 for the year, check whether you have your final 2005–2006 payslip. This may show your total pay for the year in that job.

If you don't have a final payslip, you may be able to use another payslip if you were paid the same amount throughout 2005–2006. Multiply the pay shown on your weekly/monthly payslip by the number of weeks or months you worked there in the year. But you **cannot** use this method if your earnings changed during 2005–2006.

If you cannot work out your total pay by any of these methods or **you had more than one job**, please phone the Helpline.

Helplines 08:00–20:00

England, Scotland, Wales
Phone 0845 300 3900
Textphone 0845 300 3909

Northern Ireland
Phone 0845 603 2000
Textphone 0845 607 6078

Step 2

Deduct

- Any expenses which you met from your earnings and which arose wholly, exclusively and necessarily in the course of your work (as well as travelling expenses necessarily incurred in the performance of your duties).

  If you paid such expenses and were not reimbursed by your employer, deduct the amount of these from your gross pay. If your employer reimbursed you, do not include the reimbursed amount received in your claim.
- Certain payments from your earnings which are deductible for income tax purposes, such as fees and subscriptions to professional bodies and learned societies, employee liabilities and indemnity insurance premiums, and agency fees paid by entertainers.
- Flat-rate expenses agreed by your employer and HM Revenue & Customs, to maintain or renew tools or special clothes (such as a uniform) that are necessary to do your work. The amount of the allowable expenses will be shown in your tax code for 2005–2006.

Step 3

If you have made contributions to an HM Revenue & Customs registered pension scheme (other than through your employer) take off the gross amount you paid during the year 6 April 2005 to 5 April 2006.

If you paid into a Personal Pension Plan, you will have received tax relief by paying less than the contributions set out in the Pension Plan schedule. This includes Free-Standing Additional Voluntary Contributions (FSAVCs) and Stakeholder pensions. Enter in the working sheet the gross contributions, before tax relief was given.

Pension contributions are usually paid monthly. Add together the **gross monthly contributions** shown on your Pension Plan schedule.

If you made personal pension or retirement annuity contributions, please phone the Helpline.

If you paid your pension contributions through your employer you don't have to deduct anything. Your employer will already have deducted your pension contributions from the pay figure he entered on your P60 or P45, so you can ignore this step. This also applies to Additional Voluntary Contributions (AVCs).

If you are a doctor or a dentist making contributions both to the NHS superannuation scheme and to a retirement annuity contract or a personal pension, and you work out the tax relief due under the HM Revenue & Customs' Extra Statutory Concession A9, then the deduction for tax credit purposes may be made on the same basis. The amount deductible is the allowable amount for income tax. **Please note**, this Extra Statutory Concession is being withdrawn with effect from 6 April 2006 (the start of the 2006–2007 tax year) and for subsequent years.

Step 4

Deduct £100 from your income for each week you received Statutory Maternity Pay or, if relevant, Statutory Paternity Pay or Statutory Adoption Pay.

Statutory Maternity, Paternity and Adoption Pay are taxable income, but for tax credits purposes £100 a week of each payment is ignored.

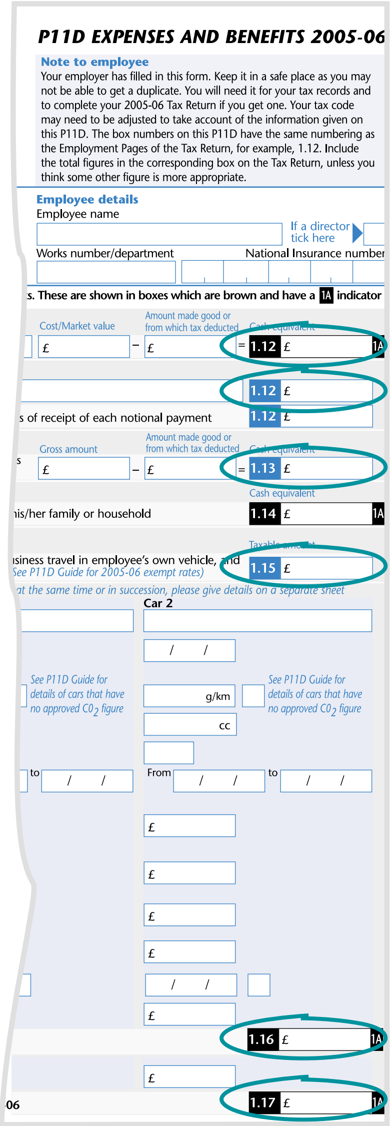
If you were on maternity leave but your employer did not pay Statutory Maternity Pay, you may have claimed Maternity Allowance instead. Maternity Allowance is not income for tax credits purposes and should not be included anywhere on your tax credits claim form.

EARNINGS FROM EMPLOYMENT IN 2005 – 2006

	You	Your partner
Step 1 For each employment, enter your gross pay after deduction of • pension contributions, and • GAYE amounts. **But**, before taking off • tax and National Insurance contributions, and • Share Incentive Plan deductions. There is space for you and your partner to enter up to 4 jobs each. **Include** • any tips or gratuities you received, • any Statutory Sick Pay you received, the taxable part of any termination payments, taxable securities options gains, and • any strike pay you received.	1. £ 2. £ 3. £ 4. £	1. £ 2. £ 3. £ 4. £
Step 2 Deduct any allowable expenses you have incurred (see page 36).	£	£
Step 3 Deduct any personal pension contributions you paid direct (for example, FSAVCs or stakeholder pension contributions). Enter the gross figure before any tax relief.	£	£
Step 4 Deduct £100 for each week you received Statutory Maternity Pay, Statutory Paternity Pay and Statutory Adoption Pay.	£	£
Total Earnings (round down to the nearest pound).	£ Enter this total at box 5.3	£ Enter this total at box 5.3

5.4 Company car and fuel, taxable vouchers and payments in kind from all jobs

P11D



P11D EXPENSES AND BENEFITS 2005-06

Note to employee
Your employer has filled in this form. Keep it in a safe place as you may not be able to get a duplicate. You will need it for your tax records and to complete your 2005-06 Tax Return if you get one. Your tax code may need to be adjusted to take account of the information given on this P11D. The box numbers on this P11D have the same numbering as the Employment Pages of the Tax Return, for example, 1.12. Include the total figures in the corresponding box on the Tax Return, unless you think some other figure is more appropriate.

Employee details
Employee name
If a director tick here
Works number/department
National Insurance number

s. These are shown in boxes which are brown and have a 1A indicator

Cost/Market value £ – Amount made good or from which tax deducted £ = Cash equivalent 1.12 £ 1A

1.12 £

s of receipt of each notional payment 1.12 £

Gross amount £ – Amount made good or from which tax deducted £ = Cash equivalent 1.13 £

his/her family or household Cash equivalent 1.14 £ 1A

usiness travel in employee's own vehicle, and Taxable amount 1.15 £
See P11D Guide for 2005-06 exempt rates)

at the same time or in succession, please give details on a separate sheet

Car 2

See P11D Guide for details of cars that have no approved CO_2 figure

g/km

cc

From / / to / /

£

1.16 £ 1A

£

06 1.17 £ 1A

You may have received benefits from your employer which were not paid out in wages but which were taxable. These are called benefits in kind. Your employer should have given you information about these by 6 July 2006, usually on a form P9D or P11D. You do not have to work out the amount of each individual benefit – your employer will tell you the taxable values.

If you have not received a form P9D or P11D for the year 6 April 2005 to 5 April 2006 and you think you should have, ask your employer or phone the Helpline.

For tax credits purposes we take into account the value of the following benefits in kind:

- Any goods and assets your employer gave you that you could sell for cash or anything bought for, or paid to you, other than at market value. For example, gifts of food, drink, fuel, cigarettes, clothes etc. If you received any goods or assets from your employer, please tell us what the second-hand value would be if you sold them, or what they cost your employer if this is more. These amounts are shown on forms P11D (at section A) and P9D (at section A(2), in the third and fourth boxes).
- Any payments made by your employer which you should have paid. For example, if your employer paid your rent directly to your landlord or paid your income tax liability or your gas, telephone or electricity bills. Again, these amounts are shown on forms P11D (the first box numbered 1.12 in section B) and P9D (at section A(2), in the first, second and, if appropriate, fifth boxes).
- Cash and non-cash vouchers and credit tokens, such as company credit cards. (Ignore the value of any vouchers provided for registered child care.) The value of these benefits is shown on forms P11D (at section C) and P9D (add together all the boxes at section B).

If you earn at a rate of £8,500 or more a year (including any benefits in kind), or you are a company director, the following benefits are also taxable and form part of your income for tax credits purposes:

- Authorised Mileage Allowances paid to you by your employer for using your own car for business or where your employer met any of the running costs such as petrol, repairs etc. The taxable amount is shown on form P11D at section E. Only the excess over the statutory tax-free limit is taxable. For tax credits claims, only report this taxable excess.

  If either

  – your employer does not pay you any authorised mileage allowances for using your own car for business, or

  – you receive less than the tax-free limit (the 'approved amount') of these allowances

  you can deduct the difference between the 'approved amount' and what you receive from your employer, from your earnings as an employee (see the notes on box 5.3, pages 34 to 37).
- Any company car or car fuel benefits provided by your employer. These can be found at boxes 1.16 and 1.17 at section F of the P11D.

Helplines	08:00–20:00
England, Scotland, Wales	
Phone	0845 300 3900
Textphone	0845 300 3909
Northern Ireland	
Phone	0845 603 2000
Textphone	0845 607 6078

- Expenses payments made to you or on your behalf (shown at section N on form P11D). However, the amount of these payments may be reduced by claiming a deduction of expenses allowed for certain income tax purposes. For example, for expenses incurred wholly, exclusively and necessarily in the course of your work, or for travelling expenses incurred necessarily in the performance of your duties.

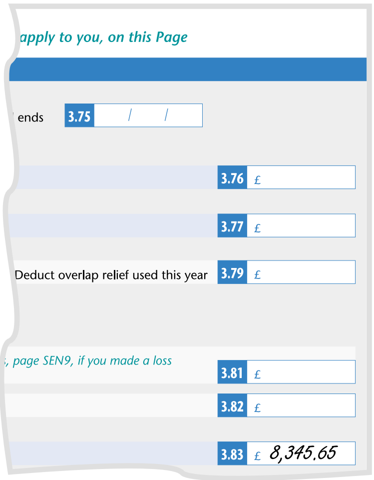
If you have had benefits in kind from more than one employer, add the figures together to show the amounts received from all employments.

Enter in box 5.4 the total of these benefits for the year to 5 April 2006, rounded down to the nearest pound.
For example, if your 2005–2006 benefits in kind were £254.36, put £254 in box 5.4.

BENEFITS FROM YOUR EMPLOYER(S) IN 2005–2006

Type of benefit	You	Your partner
Goods or assets	£	£
Your liabilities (bills etc.) paid by employer	£	£
Vouchers and credit tokens	£	£
Car mileage allowances or running costs	£	£
Company cars	£	£
Car fuel	£	£
Taxable expenses payments	£	£
Total to enter in box 5.4	£	£

Page SE3 of the Self-employment pages of the Tax Return


apply to you, on this Page

ends 3.75 / /

3.76 £

3.77 £

Deduct overlap relief used this year 3.79 £

, page SEN9, if you made a loss

3.81 £

3.82 £

3.83 £ 8,345.65

5.5 Income from self-employment

If you are in self-employment (either on your own or in partnership) and you have sent us your 2005–2006 tax return, enter your profit as follows:

- If you completed a Short Tax Return form (SA200), your profit is the figure you entered in box 3.10.
- If you completed a full Tax Return form (SA100), your profit is the figure you entered in box 3.83 on the Self-employment Pages (or box 4.13 on the Partnership Pages) of your tax return.
- If you have more than one business, work out your total profit by adding together box 3.83 or box 4.13 figures from each Self-employment or Partnership Page of your tax return.

If you have not sent us your tax return for the year ended 5 April 2006 you must estimate your profits for 2005–2006.

To work out tax credits relief on Gift Aid payments, personal pension, retirement annuity contributions or trading losses, phone the Helpline for working sheet TC825.

In box 5.5, enter your total profits

minus

- the gross amount of any contributions you made to a pension scheme or retirement annuity contract
- any trading losses brought forward from a previous year under the tax credits rules (see guidance on losses on page 41)
- the gross amount of any Gift Aid payments you made
- any amount you **added on** for averaging (box 3.81 on the Self-employment Pages or box 4.12 on the Partnership Pages of the full Tax Return) perhaps because you are a farmer or a market gardener with fluctuating profits. (Averaging is not allowed in tax credits claims.)

plus

- any amount you **deducted** for averaging in box 3.81 on the Self-employment Pages (or box 4.12 on the Partnership Pages) of the full Tax Return.

Please round down this total to the nearest pound before entering it in box 5.5. For example, if your profits are £8,345.65, enter £8,345 in box 5.5.

If your business received other income or profits, for example, rental income (shown in box 3.50 on the Self-employment Pages, or box 4.70 and/or box 4.73 on the Partnership Pages of your tax return) include the profits here (not in box 5.6).

If you are now self-employed but had no income from self-employment in 2005–2006, leave box 5.5 blank. But please read carefully the information about changes in income on page 59 of these Notes.

Working out your profits if you haven't sent us your tax return

Your business profit is the difference between

- your turnover – all the money your business earned for work you have done or goods you have sold, and
- your allowable business expenses.

If you need help working out your turnover or your allowable business expenses, please call the **Self Assessment Helpline** on 0845 9000 444.

Do you have a yearly date on which you make up your books? If so, that is your accounting date. The profit to enter in box 5.5 is your 12 months' profit up to your accounting date in the year to 5 April 2006. Please round down this total to the nearest pound before entering it in box 5.5. For example, if your profits were £8,345.65, enter £8,345 in box 5.5.

If you have only just started working for yourself or need help working this out, call the **Self Assessment Helpline** on 0845 9000 444.

Losses

If your business made a loss in the tax year 2005–2006 (shown in either box 3.11 on the Short Tax Return, or box 3.84 or 4.14 on the full Tax Return) enter '0' in box 5.5. The tax credits rules on losses operate separately from those for income tax. This means that, for tax credits purposes, you deduct the loss from

- any other income you may have for that year, or
- in a joint claim, any other income which you and your spouse or personal partner may have for that year.

If you made a loss, there is a working sheet available to help you with this. Phone the Helpline for a copy.

If this does not use up the entire loss, the balance (that is, the unused part of the loss after deducting the amounts set against other income in the year) may be carried forward to be set against the profits of the same business in a future tax year.

For example, if you had a loss in 2004–2005 and there is some loss remaining after the deduction from other income from 2004–2005, the unused part of the 2004–2005 loss may be brought forward and deducted from the profits of the same business in the tax year 2005–2006.

If you made a trading loss and have any questions about these rules, please phone the Helpline. The box on the left shows the Helpline numbers.

Helplines 08:00–20:00

England, Scotland, Wales
Phone 0845 300 3900
Textphone 0845 300 3909

Northern Ireland
Phone 0845 603 2000
Textphone 0845 607 6078

5.6 Other income

In addition to social security benefits and earnings from your work, we also take into account other income (see Step 1, pages 42 to 44), Adult Dependant's Grant (if you are a student) and miscellaneous income (see Step 3, page 45) in the year 6 April 2005 to 5 April 2006.

Helplines	08:00–20:00
England, Scotland, Wales	
Phone	0845 300 3900
Textphone	0845 300 3909
Northern Ireland	
Phone	0845 603 2000
Textphone	0845 607 6078

You only need to include other income (see Step 1) if it adds up to more than £300 between 6 April 2005 and 5 April 2006. If it does, you only need to enter the amount of other income that exceeds £300 (in the case of a couple, £300 should be deducted from your **joint** income). However, for Adult Dependant's Grant and miscellaneous income (see Step 3) you need to include the **full** amount. Add these two amounts together to give you the total for box 5.6.

If you had income in 2005–2006 which you earned jointly with another person, but you are no longer part of a couple with that person (for example, an ex-husband or ex-wife or an ex-partner), only include your share of that joint income. For example, only include half of any interest on a joint bank account.

Do not include in box 5.6 the following:

- Maintenance received from a former partner.
- Working Tax Credit and Child Tax Credit.
- Student loans. Do not deduct student loan repayments from your income.
- Other student grants (except the Adult Dependant's Grant), such as those to meet the cost of tuition fees, child care etc.
- War pensions, or pensions or annuities payable under German or Austrian law to victims of Nazi persecution.
- Income your children may have had, unless it is taxable in your name or your partner's name.

If you are not sure what to include, please phone the Helpline.

Read the following Steps 1 to 3 and use the working sheet on page 45 to work out the total amount to go in box 5.6 on the form.

If you are sure that all your other income (in the case of a couple, the other income for both of you, added together) in the year 6 April 2005 to 5 April 2006 was

- £300 or less, **and**
- you do not have any Adult Dependant's Grant or miscellaneous income

leave box 5.6 blank.

Step 1

Income from savings and investments

Include interest from any personal or joint bank or building society accounts. This is the interest before tax was taken off (the gross interest). Your pass book or statement will help you work out this figure. If you received company dividends from **any** UK company (including dividends from a company of which you and your partner are directors), add the tax credit shown on the voucher supplied by the company, to the dividend. Ignore tax-free savings (for example ISAs, TESSAs, PEPs, Index Linked and Fixed Interest National Savings Certificates and Children's Bonus Bonds).
Also include here a 'chargeable event' gain from a life insurance policy. For tax credits purposes, we need to know the **full** amount of that gain, before any 'top-slicing' relief for income tax purposes.

State Pensions

Enter the amount of any State Pension you received, including

- the basic (or old age) pension

- the social security pension lump sum
- State earnings related pensions (SERPS)
- Graduated pension (graduated retirement benefit)
- Industrial Death Benefit
- Widow's Pension
- Widowed Mother's Allowance, Widowed Parent's Allowance
- any increase for a dependent child
- any incapacity addition or addition for a dependent adult, and
- any increases paid by the Department for Work and Pensions or Department for Social Development to uprate a guaranteed minimum pension.

Do not include the Christmas Bonus and the Winter Fuel payment.

Other UK pensions

If you received a pension other than a State Pension, include the full amount before any tax was taken off. Your pension provider should provide you with a P60 (or similar certificate) by the end of May each year showing the amount of pension paid and tax deducted. Also include any annuity payments from a pension scheme.

If your pension includes an extra amount because you were disabled by injury on duty, or by a work-related illness (compared to what would have been paid had you retired at the same time on ordinary ill health grounds), exclude that extra amount.

Property income

Include income from property or land in the UK that you owned or leased out. If this was part of your business income (if you were self-employed) include it in box 5.5, not here. Ignore any income covered by the 'Rent a Room' scheme (briefly, if you let furnished accommodation in your own home for up to £4,250 a year).

If your rental property made a loss, relief for this loss (for tax credits purposes) is generally given in the same way as for income tax. Normally, the loss should be carried forward and set-off against profits from the same source in the following tax year.

If, however, part of the loss arises from capital allowances or from agricultural land, that part of the loss may be set against other income which you (but not your spouse or partner) may have, either in the tax year in which the loss was made or in the following tax year. In such cases, the amount of loss relief available for tax credits purposes is based on your tax calculations.

Trust income

If you received income from a trust, settlement or a deceased person's estate, the trustees or administrators will have given you a certificate telling you what income was paid to you. Include the gross income (that is, the amount before any tax was taken off).

Foreign income

For example, income from investments and property overseas and social security payments from overseas governments. Include the full amount, whether or not it was remitted to the UK, in British pounds not the foreign currency. Also include the gross income (the amount before any foreign tax was taken off) even if it is not taxable in the UK because of a double taxation agreement.

Helplines	08:00–20:00
England, Scotland, Wales	
Phone	0845 300 3900
Textphone	0845 300 3909
Northern Ireland	
Phone	0845 603 2000
Textphone	0845 607 6078

If you receive a foreign pension, whether or not it was remitted to the UK, you should include 90% of the full amount received (in British pounds, not the foreign currency).

You may deduct any banking charge or commission paid when converting foreign currency to British pounds. If you have any questions about foreign income or your residence status, please phone the Helpline.

Notional income

Capital treated as income

We will not normally take capital into account when we work out your tax credits. By capital we mean deposits in current and savings accounts at banks and building societies, many lump sum payments, the value of property, shares and other investments.

However, in some cases the income tax rules treat capital as income and tax it as such. For example, if you hold shares in a UK company and the company gives you new shares (called a 'stock dividend') instead of a cash dividend. This is part of what we call 'notional income' and you would be expected to include it as income in your tax credits claim.

Income that you are treated as having received

Notional income also includes income that you are treated as having received, even though you may not have.

It may include:

- Trust income that, under income tax rules, is treated as the income of another person. For example, investment income of a minor child where trust funds have been provided by a parent and the amount exceeds £100. For tax credits we also treat it as belonging to another person.
- Income that you have deprived yourself of to get tax credits or more tax credits.
- Income that you were entitled to but did not apply for. For example, a social security benefit or allowances paid to local government councillors or civic dignitaries. This does not apply to
  - a deferred state pension (although when it is paid, a social security pension lump sum or an enhanced state pension will count as 'pension income' for tax credits purposes)
  - a deferred personal pension
  - a deferred retirement annuity, or
  - compensation for personal injury.
- Income you lost out on because you worked for less than the going rate (or for nothing) if the person you are working for, or to whom you are providing a service, has the means to pay. This does not apply to
  - voluntary work (for example, helping out in a charity shop or Citizens Advice Bureau), or
  - employment or training programmes.

Step 2

We are only interested about other income that adds up to more than £300 between 6 April 2005 and 5 April 2006.
For this reason the working sheet already has £300 entered at Step 2 for you to subtract from your total other income at Step 1.

Step 3

You must report the following types of income **in full**, whatever the amount, unlike Step 1 where we only need amounts above £300. **Do not** subtract the £300 at Step 2 from any amount at Step 3.

Adult Dependant's Grant

The Adult Dependant's Grant is paid to students with a spouse or a dependent adult. **Do not** report the Parent's Learning Allowance.

Miscellaneous taxable income

This applies to income not mentioned elsewhere in these Notes, that is taxable under Part 5 of the Income Tax (Trading and Other Income) Act 2005. For example, copyright royalties paid to someone who is not a professional author or composer.

If you are not sure what to include, please phone the Helpline.

In the working sheet below enter the income you (and/or your partner) received. Then round down the total to be entered in box 5.6 down to the nearest pound. For example, if your total (after deducting £300 at Step 2) was £134.76, enter £134 in box 5.6.

OTHER INCOME FOR THE TAX YEAR 2005–2006

Step 1 - refer to notes on pages 42 to 44	**You**	**Your partner**		**Total**
Income from savings and investments	£	£		£
State pensions, occupational pensions and personal pensions	£	£		£
Income from property	£	£		£
Foreign income	£	£		£
Trusts, settlements and estates	£	£		£
Notional income	£	£		£
	Total other income		A	£
Step 2 - refer to notes on page 44	**Subtract**		B	£ 300
Deduct the amount in box B from box A. Enter the total in box C, **unless** the result is a minus figure, in which case enter zero ('0') in box C.			C	£
Step 3 - refer to notes on page 45	**Adult Dependant's Grant and miscellaneous income**		D	£
	Total to enter at box 5.6 (Add together the figures in box C and box D.)			£

Helplines	08:00–20:00
England, Scotland, Wales	
Phone	0845 300 3900
Textphone	0845 300 3909
Northern Ireland	
Phone	0845 603 2000
Textphone	0845 607 6078

5.7 Estimated income

We know that sometimes you will not have the exact amounts of your income available when completing the form (for example, you are self-employed and have not yet completed your tax return). If you do not have all the information you need, then use the information you do have to make a reasonable estimate.

For example, to estimate your annual income if you are paid

- on a regular basis and the amounts are roughly the same each time, take a single payment and multiply it by
  – 52 if you are paid weekly
  – 12 if you are paid monthly, or
  – 13 if you are paid every 4 weeks
- different amounts during the year, take what you have received so far and add a reasonable amount for any outstanding payments.

If your estimate is too low, we may overpay tax credits and have to ask you to pay the overpaid amount back. Phone the Helpline if you are having trouble making an estimate.

We need to know if you have used estimates in any of your amounts at boxes 5.2 to 5.6. Put 'X' in the appropriate boxes.
You need to tell us your actual income details as soon as you have them.

We make direct payments of tax credits into bank, building society or Post Office® card accounts. So, to receive tax credits, you will need to provide details of an account. If you are already having Child Benefit paid into an account you may wish to have your tax credits paid into the same account. Please read the notes on pages 49 to 51 if you don't have an account.

Child Tax Credit

Child Tax Credit is paid **direct** to the person who is mainly responsible for caring for the child or children. If you are a lone parent you will receive the payment. Couples need to identify which one of you should receive the payment.

Box numbers refer to boxes on the form

6.1 Child Tax Credit payment frequency

Choose whether you want to receive your Child Tax Credit every week or every 4 weeks. If you are on Income Support or income-based Jobseeker's Allowance please note that the Child Tax Credit will replace part of those benefits, so please consider carefully when you want your payment to be made. Put 'X' in one box only.

6.2 Main carer

Only fill this in if you are claiming with your partner. Only one of you can be paid Child Tax Credit and that person must be the main carer. So while we recognise that both of you may be responsible for caring for your children, please tell us who is the main carer. Put 'X' in one box only.

Child Tax Credit is paid direct into a bank, building society or Post Office® card account. If you don't have an account, see the section 'What kind of accounts are available?' on pages 49 to 51.

Working Tax Credit

Working Tax Credit is paid to a person who is working 16 hours or more a week. Couples where both partners are working 16 hours or more a week must choose which one of you will receive it. You cannot receive Working Tax Credit if you are not working at least 16 hours.

Working Tax Credit is paid direct into a bank, building society or Post Office® card account. If you don't have an account, see the section 'What kind of accounts are available?' on pages 49 to 51.

6.3 Working Tax Credit payment frequency

Choose whether you want to receive your Working Tax Credit every week or every 4 weeks. Put 'X' in one box only.

Helplines 08:00–20:00

England, Scotland, Wales
Phone 0845 300 3900
Textphone 0845 300 3909

Northern Ireland
Phone 0845 603 2000
Textphone 0845 607 6078

6.4 **Who will receive payment?**

Only fill this in if you are claiming with your partner. Put 'X' in one box to show who is to get Working Tax Credit. That person must be working at least 16 hours a week.

Child care element of Working Tax Credit

If you receive the child care element of Working Tax Credit, this will **always** be paid direct to the person who is mainly responsible for caring for the child or children, alongside payments of Child Tax Credit.

It will be paid weekly or 4-weekly, depending on how often you have chosen to receive payments of Child Tax Credit.

Payments of £2 a week or less

We will usually pay awards of £2 a week or less in a single lump sum to cover the whole year. We will make the payment direct into your bank, building society or Post Office® card account as soon as we have processed your claim. We will not pay awards of £26 or less (that is, 50p a week for awards lasting the whole year).

Bank, building society or Post Office® card accounts

You can use an existing account for your tax credits, or open a new one. Give details of the account(s) you want us to use in boxes 6.5 to 6.9.

6.5 **Name(s) of account holder(s)**

You must enter the name(s) of the account holder(s) exactly as they are shown on your cheque book, bank book or statement.

The account can be

- in your name, or
- in the name of your partner. We use partner to mean
  - a person you are married to, or
  - a person you are living with as if you are married, or
  - from 5 December 2005, a person of the same sex with whom you have a civil partnership or are living with as if you are in a civil partnership
- in the names of both yourself and your partner, or
- in the name of a person acting on your behalf, or
- in the names of both yourself and the person acting on your behalf.

6.6 **Account number**

This is normally the 8 digit number shown on your statement or cheque book. Please include any leading zeros, for example, 00012345. Start writing in the first box. If your account number is 9 or 10 digits, please phone the Helpline for advice on what to enter in this box.

6.7 **Branch sort code**

This is the 6 digit number with dashes between. On the form we have printed the dashes for you.

6.8 **Building society account roll or reference number**

If your account is with a building society or former building society, you will probably have an additional reference number that identifies your account. This number may be called

- a roll number, or
- account reference, or
- account number.

Please provide us with this additional number as well as the sort code and account number, as without this additional number, the bank or building society could have problems paying your tax credits payment to your account. You will find the roll or reference number on your bank or building society book or statement, along with the account number and sort code.

If you have any doubt as to which account details to provide, please check with your bank or building society.

If you do not have an account you will need to open one. Please see the section 'What kind of accounts are available?' on page 51. It includes details of the ways in which you can get your money at the Post Office®.

We pay direct into accounts because

- it is safe and secure
- it is convenient – you decide when and how much you want to withdraw
- using an account may help you save
- from some accounts you could have regular bills paid. This could save you money but you will need to make sure that there is enough money in your account to pay the bills. If not, you may be charged a fee
- you can get your money from many different places, some accounts will allow you to use cash machines to withdraw cash at any time of the day or night.

The account can be

- in your name, or
- in the name of your partner. We use partner to mean
  - a person you are married to, or
  - a person you are living with as if you are married, or
  - from 5 December 2005, a person of the same sex with whom you have a civil partnership or are living with as if you are in a civil partnership
- in the names of both yourself and your partner, or
- in the name of a person acting on your behalf, or
- in the names of both yourself and the person acting on your behalf.

If you have a Post Office® card account, the account can be in your name, or in the name of an Appointee. It is also possible for you to make arrangements with the Post Office® for someone else to regularly collect your money from this account.

If you have an Individual Savings Account (ISA), we recommend that you **do not** have tax credits paid into it. There is a limit on the amount that can be paid into these accounts. Your bank or building society will reject your tax credits payment if it takes you over that limit.

Finding out how much is paid into the account

We will tell you when the first payment will be made, and how much it is for. You can check your tax credits payments on your account statements. Statements will usually show your payments as one of the following

- Child Tax Credit
- Working Tax Credit, or
- Working & Child TC.

If none of these are shown, your payments may be shown as Direct credit. If you think your payment is wrong, please contact us.

If not enough money is paid into your account, we will make another payment to you or we will add the money we owe you on to your next payment. We will contact you to tell you what we are going to do.

If we pay too much money into your account (for example, if you give us some information which means you are entitled to less money but we do not have time to change your regular payment) you will have to pay back any money that you are not entitled to.

Getting someone to collect your tax credits

If you want someone else to collect your tax credits for you regularly, you may be able to make arrangements with your bank or building society, or with the Post Office® if you have a Post Office® card account. Please ask them to help you with this.

What kinds of accounts are available?

Current accounts

Current accounts are available to open at most banks and some building societies. Most current accounts offer debit cards, cheque books, overdraft facilities and the ability to automatically pay bills by direct debit or standing order. You can have your salary or other monies paid into these accounts, and you can access your money at cash machines (ATMs) using a card. The following banks and building societies have also made their current accounts accessible at Post Office® branches for deposits and withdrawals free of charge: Alliance & Leicester, Lloyds TSB, Barclays, The Co-operative Bank, cahoot, smile and First Direct (Scotland only).

Basic bank accounts

Most major banks offer these. You may be able to open one of these accounts, even if you have outstanding County Court judgments or have been made bankrupt. They are sometimes called introductory or starter accounts, they offer free banking but overdrafts are not available. You can use these accounts to pay money in, pay bills automatically by direct debit or standing order, and get cash out. Many basic bank accounts also allow you to get cash from Post Office® branches.

Post Office® card accounts

This is a simple account that is provided by the Post Office® and is designed for receiving tax credits, benefits and pensions. Other payments, for example, wages, cannot be paid into this account. You can get your cash over the counter at any Post Office® branch using a card and a Personal Identification Number (PIN). You will not be able to use a bank, building society or cash machine. The Post Office® card account does not allow you to overdraw or incur any charges. There are no credit checks when you open this account.

If you want more information about the Post Office® card account, or you want to open one, please phone the Helpline.

What if I can't open or use an account?

If you can't open or use any type of account, please phone the Helpline.

Helplines	08:00–20:00
England, Scotland, Wales	
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You (for couples, both of you) must sign and date a declaration on page 11 of the form. If you do not, it will delay your claim.

You are responsible for all the information you provide on the form. Couples share responsibility for it. The information you give will be used to decide how much you receive in tax credits.
You (for couples, both of you) may be liable to repay any tax credits overpaid due to the wrong information being provided on the form.

Appointees

Usually, an Appointee is a person who has been given the legal right to act on behalf of another person who is not able to control their own affairs or has a disability.

You are not an Appointee if you are simply helping someone to complete the form and they understand what you are doing.

For example, you might help someone to fill in the form because

- you work in a welfare rights organisation such as Citizens Advice, or
- you are helping them as a friend, or
- you are translating the questions into another language for them because they speak and understand very little English.

Claimants who understand the Declaration and are able to sign it should do so.

You are an Appointee if you have been appointed to act by one or more of the following

- a court of law, or
- the Department for Work and Pensions, or
- the Department for Social Development, or
- us, when you have made a previous claim for the claimant(s).

You will need to tell us the date you were appointed to act and who appointed you.

If you are acting as Appointee for the first time you will need to explain why the claimant cannot complete and sign the form. We will then consider whether to appoint you. Before we make our decision, we may need to contact you for more information.

More about disability and work

You can get a disability element of Working Tax Credit if

- you usually work for 16 hours or more a week (see pages 26 to 28), **and**
- you have a disability which puts you at a 'disadvantage' in getting a job, **and**
- you satisfy the 'qualifying benefit' test, **or** you are returning to work after a recent period of sickness and are eligible to use the 'Fast-Track' route to a disability element.

'Disadvantage' test

To meet this test you must meet one of the following criteria. We may ask you to nominate a professional involved in your care who can confirm how your disability affects you – for example, an occupational therapist, community or district nurse, or doctor.

1. When standing you cannot keep your balance unless you continually hold onto something.
2. Using any crutches, walking frame, walking stick, prosthesis or similar walking aid which you habitually use, you cannot walk a continuous distance of 100 metres along level ground without stopping or without suffering severe pain.
3. You can use neither of your hands behind your back as in the process of putting on a jacket or of tucking a shirt into trousers.
4. You can extend neither of your arms in front of you so as to shake hands with another person without difficulty.
5. You can put neither of your hands up to your head without difficulty so as to put on a hat.
6. Due to lack of manual dexterity you cannot, with one hand, pick up a coin which is not more than 2.5 centimetres in diameter.
7. You are not able to use your hands or arms to pick up a full jug of 1 litre capacity and pour from it into a cup, without difficulty.
8. You can turn neither of your hands sideways through 180 degrees.
9. You –
   (a) are registered as blind or registered as partially sighted in a register compiled by a Local Authority, or
   (b) have been certified, in Scotland, as blind or as partially sighted and, in consequence, registered as blind or partially sighted in a register maintained by or on behalf of a regional or island council, or
   (c) have been certified as blind and, in consequence, are registered as blind in a register maintained by or on behalf of a Health and Social Services Board or Trust in Northern Ireland.
10. You cannot see to read 16 point print at a distance greater than 20 centimetres, if appropriate, wearing the glasses you normally use.
11. You cannot hear a telephone ring when you are in the same room as the telephone, if appropriate, using a hearing aid you normally use.
12. In a quiet room you have difficulty in hearing what someone talking in a loud voice at a distance of 2 metres says, if appropriate, using a hearing aid you normally use.
13. People who know you well have difficulty in understanding what you say.

Helplines 08:00–20:00

England, Scotland, Wales
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14. When a person you know well speaks to you, you have difficulty in understanding what that person says.
15. At least once a year during waking hours you are in a coma or have a fit in which you lose consciousness.
16. You have a mental illness for which you receive regular treatment under the supervision of a medically qualified person.
17. Due to mental disability you are often confused or forgetful.
18. You cannot do the simplest addition and subtraction.
19. Due to mental disability you strike people or damage property or are unable to form normal social relationships.
20. You cannot normally sustain an 8 hour working day or a 5 day working week due to a medical condition or intermittent or continuous severe pain.
21. As a result of an illness or accident you are undergoing a period of habilitation or rehabilitation. This cannot apply to you if you have been getting a disability element of Working Tax Credit in the past 2 years.

'Qualifying benefit' test

(A)

To meet this test you must be receiving one of the following benefits. Please note that we may ask for evidence.

- Disability Living Allowance
- Attendance Allowance
- Industrial Injuries Disablement Benefit with Constant Attendance Allowance or mobility supplement for you
- War Disablement Pension with Constant Attendance Allowance or Mobility Supplement for you, or
- a vehicle provided under the Invalid Vehicle Scheme.

(B)

Alternatively, you must have received one of the following benefits for at least one day in the last 6 months:

- Incapacity Benefit at the short-term higher rate or long-term rate
- Severe Disablement Allowance
- Income-based Jobseeker's Allowance, with a Disability Premium or Higher Pensioner Premium for you
- Income Support, with a Disability Premium or Higher Pensioner Premium for you
- Council Tax Benefit, with a Disability Premium or Higher Pensioner Premium for you, or
- Housing Benefit, with a Disability Premium or Higher Pensioner Premium for you.

(C)

You can also meet the 'qualifying benefit' test if you have been 'training for work' for at least one day in the last 8 weeks and you started training for work within 8 weeks of receiving either Incapacity Benefit paid at the short-term higher rate, or the long-term rate, or Severe Disablement Allowance.

Training for work means attending government-run training such as that provided by the New Deal, Work Based Learning for Adults (Training for Work in Scotland) or a course that you attended for 16 hours or more a week to learn an occupational or vocational skill.

8 week 'linking' rule

If you have been entitled to the disability element of Working Tax Credit for at least one day in the last 8 weeks on the basis of meeting the 'qualifying benefit' test by satisfying **(B)**, on page 54, or **(C)** above, you are treated as still meeting the 'qualifying benefit' test.

'Fast-Track' rules

Fast-Track – Qualifying benefits

- Statutory Sick Pay
- Occupational Sick Pay
- Incapacity Benefit paid at the short-term lower rate
- Income Support paid on the grounds of incapacity for work
- National Insurance credits awarded on the grounds of incapacity for work

The 'Fast-Track' helps people who are finding it hard to stay in work because of a disability.

To qualify under the 'Fast-Track' rules, you must have been getting one or more of the benefits shown in the box alongside

- for 20 weeks or more (this need not be a single continuous period – add together any periods when you received the benefits or credits that are separated by 8 weeks or less)
- with the last day of receipt being in the last 8 weeks.

Your disability must be likely to last for at least 6 months or the rest of your life. In addition, your gross earnings (before tax and National Insurance contributions are deducted) must be at least 20% less than they were before you had the disability, with a minimum reduction of £15 a week.

Important
You can only get a disability element of Working Tax Credit if

- you usually work for at least 16 hours a week, and
- you have a disability which puts you at a disadvantage in getting a job, **and**
- you satisfy the 'qualifying benefit' test **or** the 'Fast-Track' rules.

8 week 'linking' rule

If you have been entitled to the disability element of Working Tax Credit for at least one day in the last 8 weeks on the basis of satisfying the 'Fast Track' rules, you are treated as still satisfying the 'Fast Track' rules.

Further information

Sending in your claim form

Very important: Please use the return envelope provided and do not fold the form.

If you are responsible for more than 2 children or use more than one child care provider please enclose your completed form(s) TC600A *Additional pages* **unfolded** in the same envelope. Please do not staple or pin any additional pages to your claim form. Send them **unattached** in the same envelope as the form.

Send the form to: HM Revenue & Customs Tax Credits
Comben House
Farriers Way
Netherton L69 1BY

What will happen next

We will send you an award form which tells you how much tax credit you will receive and when payment will start.
Keep the award form in a safe place.

Other help you may get

You may be entitled to certain benefits such as free prescriptions and free school meals if your income is below a certain level.

We do not administer these benefits. For information about them you will need to contact the organisation that provides the benefit. You may need to use your tax credits award form as proof of your income for these benefits.

If you receive Housing Benefit or Council Tax Benefit, your tax credits award may reduce or eliminate the amount of your Housing/Council Tax benefit. As soon as you get your award form you should contact your Housing/Council Tax Benefit office so that they can reassess your award.

Privacy and Data Protection

HM Revenue & Customs is a Data Controller under the Data Protection Act 1998. We hold information for the purposes specified in our notification to the Information Commissioner, including the assessment and collection of tax and duties, the payment of benefits and the prevention and detection of crime, and may use this information for any of them.

We may get information about you from others, or we may give information to them. If we do, it will only be as the law permits to

- check accuracy of information
- prevent or detect crime
- protect public funds.

We may check information we receive about you with what is already in our records. This can include information provided by you, as well as by others, such as other government departments or agencies and overseas tax and customs authorities. We will not give information to anyone outside HM Revenue & Customs unless the law permits us to do so. Further information can be found at **www.hmrc.gov.uk**

If your circumstances change

The tax credits you receive depend on your family circumstances and income. If these change, your entitlement to tax credits may change and you may receive a different amount of tax credit. Please tell us if your family circumstances or income change and it affects the information you gave us on the claim form. Your award form says more about what to tell us if your income or circumstances change.

Changes you **must** tell us about

Helplines	08:00–20:00
England, Scotland, Wales	
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Textphone	0845 300 3909
Northern Ireland	
Phone	0845 603 2000
Textphone	0845 607 6078

There are some changes that you **must** tell us about – you may be liable to a penalty if you don't tell us within 3 months. You can tell us about changes by phoning the Helpline.

You **must** tell us if

- you claim tax credits as a single person, and then you
  - marry
  - form a civil partnership, or
  - start to live with someone as if you are married or civil partners

  (see page 6)
- you claim tax credits as a couple (see page 6), but you stop living together or separate from your partner permanently. You do not need to tell us if the separation is temporary, for example, if one of you is working away from home or has entered hospital as an in-patient
- you or your partner (or both of you) leave the UK permanently or for a temporary absence lasting more than 8 weeks (12 if the absence is in connection with a relative's death, or your or a relative's illness)
- you have claimed the child care element of Working Tax Credit, and your average weekly child care costs go down to zero or go down by £10 a week or more and this change lasts for at least 4 weeks.

You must also tell us within 3 months, if you and your partner lose your right to reside in the UK. For example, if you are a national of one of the countries that joined the European Economic Area (EEA) on 1 May 2004 (other than Cyprus or Malta) you must tell us if you and your partner lose your job before you have worked in the UK lawfully and uninterruptedly for 12 months. More information about these rules can be found at **www.hmrc.gov.uk/taxcredits/residence-rules.htm**

Other changes to tell us about

If you don't tell us about a change that affects the tax credits due to you, you may not receive all the money you should, or you may get too much and have to repay some of it. Any increase in your tax credits can only be backdated for up to 3 months, but any reduction in your tax credits will be backdated to the date when your circumstances changed, so it is better to tell us about changes as soon as possible.

To make sure you get the correct tax credits (and don't receive more than you should, and so have to pay some back), tell us about the changes shown on the pages that follow.

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Changes in the number of children you are responsible for

For example,

- when a baby is born
- one of your children leaves the family and moves to live with someone else. This includes children who have been taken into care or fostered to another family, or who have been found guilty by a court and sentenced to custody or detention for a period of 4 months or more
- a child or young person joins your family
- a child or young person starts to claim Income Support, Incapacity Benefit, income-based Jobseeker's Allowance or Child Tax Credit in their own right.

You don't need to tell us when a child reaches 16 or a young person reaches 20 so long as you have put their date of birth on your form.

If a child starts or stops full time education

- A child you are responsible for stays in full time education beyond 1 September following their 16th birthday.
- A young person leaves full time education before they reach 20 or stops full time education but registers with the Careers Service, Connexions Service, or equivalent (see page 14).

Changes in child care

- You start paying a registered or approved child care provider for child care so you will now be able to claim help with the costs of this child care through Working Tax Credit.
- You are already getting help with the costs of child care through Working Tax Credit and your average weekly costs go up by £10 a week or more, for at least 4 weeks in a row.

Changes in your employment

- You change your employer.
  If you are getting Working Tax Credit, your entitlement to Working Tax Credit will not stop if the gap between your paid employments is no more than 7 days.
- You are on strike for a period of more than 10 consecutive days on which you should have worked. Your entitlement to Working Tax Credit will stop from the 11th consecutive day you are on strike.
- You change the number of hours you usually work.

  Your working hours fall into one of 3 categories:

  a) under 16 hours a week

  b) at least 16 but less than 30 hours a week

  c) 30 or more hours a week.

  If your hours change and you move into a different category, tell us. Couples with children should also tell us when their combined working hours move above or below 30 hours a week.
- You stop work (either in self-employment or for an employer).

Changes in your income

Your tax credits award is based on your annual income (for couples, this is your joint income). Initially your claim will be based on your annual income for the year to 5 April 2006. But the amount of tax credits you are entitled to can change if your income in the year to 5 April 2007 is different from your income in the year to 5 April 2006.

You should tell us about any of the following changes in your income.

- If you expect your income for the year to 5 April 2007 to be less than your income for the year to 5 April 2006, you may get extra tax credits.
- If you expect your income for the year to 5 April 2007 to be higher than your income for the year to 5 April 2006, you may get less tax credits. Tell us as soon as possible – if you do not tell us, you may have to pay back any overpayment after 5 April 2007.

Your award form will tell you what changes in income you need to tell us about.

Other changes you should tell us about

- You, your partner, or a child or young person you are responsible for, meets, or no longer meets the conditions (as shown on page 15 for a child or young person and page 12 and pages 53 to 55 for an adult) for receiving the disability element or the severe disability element of tax credits.
- Your partner or one of your children dies.
- Changes of address, telephone number and bank account details.
- You (or your partner) is sentenced to prison.

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