

What to do with your Annual Review

There are three steps you need to follow to renew your tax credits claim. Once you have followed these three steps you will know what information we have used to work out your award. If any of this information is wrong or your circumstances have changed, you need to tell us straight away.

If the information is correct and you have no changes to report, you do not need to do anything more. If you are still entitled to tax credits, we will continue paying you using this information.

You may have been asked to respond to your Annual Review in previous years but if the information is correct and you have no changes to report you **do not** need to contact us. We will not send you any further award notices unless you report a change.

Step A – check your personal circumstances

You need to check that the following were correct at the start of your award period:

- if you claimed as a single person or jointly as a couple
- where you live
- work details - including the number of hours you worked
- any benefits you got
- if you get the disability or severe disability element
- if you have any qualifying children and young people
- if you get the disability or severe disability element for your child
- your childcare costs.

If you told us about any changes we show them at Step B. If any of the details are incorrect, you must tell us straight away.

Step B – check your changes

Your Annual Review shows the changes you told us about through the year. Please check that they are correct and tell us straight away if they are not.

For a full list of changes you must tell us about go to www.hmrc.gov.uk/taxcredits
Here are some of the changes you must tell us about within one month.

If you do not tell us about these changes, you could build up an overpayment that you have to pay back. You may also have to pay a penalty.

Changes in your family

- you claimed as an individual but are now married, in a civil partnership or living with a partner as if you are married or in a civil partnership
- you claimed as part of a couple but have separated or your partner has died
- you (or your partner if you have one) are put on remand or get a custodial sentence
- a child or young person
 - leaves the family to live elsewhere
 - is serving a custodial sentence of more than four months
 - dies
 - starts to get tax credits or benefits in their own right for example, Income Support, Incapacity Benefit or income-based Jobseeker's Allowance
 - stops being registered as blind
 - leaves full-time non-advanced education or approved training before age 20
 - starts paid work of 24 hours or more a week
 - starts to have training provided under a work contract or education provided as part of a job
 - stops being registered with a careers service, Connexions, Ministry of Defence or similar organisation
 - gets married or starts living with a partner.

continued >>>

Help

If you would like more help:

- go to www.hmrc.gov.uk/taxcredits
- phone our Helpline on **0845 300 3900**
- textphone our Helpline (for people with hearing or speech difficulties) on **0845 300 3909**
- write to us at:
Tax Credit Office
Preston
PR1 0SB.

For our opening hours go to www.hmrc.gov.uk/contactus

Have you made more than one claim?

If you made more than one tax credits claim in the year, you will get a renewal pack for each claim.

Claiming as a couple

We treat you as a couple if you are married, or in a civil partnership unless you are legally separated or your separation is likely to be permanent.

We treat you as a couple if you are living with someone as if you are married, or in a civil partnership. We still treat you as a couple if you are living apart temporarily, for example, one of you is working away.

Disability element

You may get the disability element of Working Tax Credits if you meet **all three qualifying conditions**:

- Condition 1 - usually work 16 hours or more a week.
- Condition 2 - have a disability putting you at a disadvantage in getting a job.
- Condition 3 - get or have recently got a qualifying sickness or disability related benefit.

You may get the disability element of Child Tax Credit if:

- your child gets Disability Living Allowance
- your child is registered blind or came off the blind register in the 28 weeks before you claimed tax credits.

Severe disability element

If you or your child gets the highest rate care component of Disability Living Allowance you may get a severe disability element.

For more information go to www.hmrc.gov.uk/taxcredits

Changes to where you live

You (or your partner if you have one):

- leave the UK permanently
- go abroad for a period of more than 8 weeks, or 12 weeks if it is because you or a member of your family is ill or has died
- lose your right to reside in the UK.

Changes to your work or benefits

You (or your partner if you have one):

- stop working or are laid off
- change your usual working hours to less than 16 or 30 hours a week (for couples with children, it is your joint working hours that count towards the 30 hours but one of you must work 16 hours or more)
- get the disability element of Working Tax Credits and start working less than 16 hours a week
- get Working Tax Credit and your maternity leave lasts longer than 39 weeks
- are on strike for more than 10 consecutive days
- start or stop getting Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance, or Pension Credit
- get the childcare element of Working Tax Credit and start working less than 16 hours a week.

Changes to your childcare

- you start using a provider who is not registered or approved
- you start using a relative to look after your child, in the child's home
- your child reaches age 15 (or 16 if they are disabled)
- you stop paying for childcare
- your average weekly costs fall by £10 or more, because you pay less or because you get vouchers or payments from a government scheme or from your employer, including vouchers through salary sacrifice. If you pay fixed weekly costs, only tell us if your actual costs go down by £10 or more each week for four weeks in a row.

Step C – check your income details

You should work out your income for the year 2010-11. If you are part of a couple, we need to know about the total household income for you and your partner. If it is outside of the range shown on your Annual Review, you must tell us straight away. If you don't have actual figures you can give us an estimate. You must tell us your actual income figure as soon as you can and no later than 31 January.

If you need help working out your income and want full details of what income to include and any deductions you can make, go to www.hmrc.gov.uk/taxcredits

Income details

If you are an employee, your P45, P60 or final payslip will help you.

If you are self-employed you can use the figure on your Tax Return for 2010-11. If you haven't filled in your Tax Return for 2010-11 you should estimate your profits. You must tell us your actual income figure as soon as you can and no later than 31 January.

Benefits in kind from your employer

Usually your employer will give you these details on form P11D or P9D. If you haven't got one, ask your employer about the cash equivalent of your benefits in kind.

Taxable Social Security benefits

If you got any of the benefits listed opposite, you need to add them to your income. If you're not sure what benefits you got, or how much, please contact your local Department for Work and Pensions office or Jobcentre Plus.

Other income

If you have other income, for example, interest on savings or State Pension, you need to include them.

Do not include other income if it is:

- less than £300 (this is your joint other income if you are claiming as a couple)
- a maintenance payment
- a student grant or loan.

Qualifying children and young people

You can claim Child Tax Credit for a child until 31 August after their 16th birthday. You can also claim for a young person aged between 16 and under 20 if they are in full-time non-advanced education or on an approved training course. For more information go to www.hmrc.gov.uk/leaflets/wtc2.pdf

Help with childcare costs

You can get help towards your childcare costs if your childcare provider is registered or approved. If you are not sure, please ask them. You may still get help if you use other childcare, such as an after school club.

If your childcare costs go up by £10 or more for at least four weeks in a row, you should tell us as soon as possible. You may be entitled to more money.

For more information about childcare costs or to check if your childcare provider qualifies, go to www.hmrc.gov.uk/leaflets/wtc5.pdf

Taxable social security benefits

- Bereavement Allowance
- contribution-based Employment and Support Allowance
- Carer's Allowance
- contribution-based Jobseeker's Allowance
- Incapacity Benefit paid after 28 weeks of incapacity.

Customers with particular needs

We have a range of services for people with disabilities, including guidance in Braille, audio and large print.

All of our leaflets and factsheets are also available in large print. Please contact us if you need these services.

Your rights and obligations

Your Charter explains what you can expect from us and what we expect from you. For more information go to www.hmrc.gov.uk/charter

These notes are for guidance only and reflect the position at the time of writing. They do not affect any right of appeal.

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