



HM Revenue
& Customs

Child Tax Credit and Working Tax Credit

An introduction

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We have a range of services for disabled people. These include guidance in Braille, audio and large print. Most of our forms are also available in large print. Please contact our helplines for more information.

Ffoniwch **0300 200 1900** i dderbyn fersiynau Cymraeg o ffurflenni a chanllawiau.

This leaflet explains what Child Tax Credit and Working Tax Credit are, who can get them and how to make a claim.

Who can claim

Introduction

Child Tax Credit supports families with children (this can include children until their 16th birthday and young persons aged from 16 but under 20 years old). You can claim whether or not you are in work.

The amount you get is based on your income. As a rough guide, you may get an award of tax credits if:

- you have 1 child and a household income up to £26,100
- you have 2 children and a household income up to £32,900

It's important to know that these figures are a guide only.

Depending on your circumstances you may still qualify if your household income is higher. For example, if you pay for registered or approved childcare, are claiming for more than 2 children or have a child with a disability. See the table on page 6.

Working Tax Credit supports working people, whether employed or self-employed, on low incomes by topping up earnings.

Child Tax Credit and Working Tax Credit do not affect Child Benefit payments, which we pay separately.

To qualify for tax credits, you have to be aged 16 or over and usually live in the UK - that is, England, Scotland, Wales or Northern Ireland. The UK does not include the Channel Islands or the Isle of Man.

Please phone our helpline (read page 11) for more information if you don't live in the UK but you (or your partner if you have one) are a national of a country in the European Economic Area (EEA*) or of Switzerland and you:

- work in the UK
- are a Crown servant posted overseas or their accompanying partner
- live in the EEA or Switzerland and are getting
 - UK State Pension
 - contribution-based Employment and Support Allowance
 - Industrial Injuries Disablement Benefit
 - Widow's Benefit or Bereavement Benefit
 - Incapacity Benefit
 - Severe Disablement Allowance

* The EEA consists of all EU member states plus Norway, Iceland and Liechtenstein.

You may not be able to get tax credits if you are subject to 'immigration control'. Immigration control means:

- the Home Office gives you permission to stay in the UK - known as 'leave to enter or remain' - but this permission is given to you on the grounds that you don't claim certain benefits, tax credits or housing help paid by the UK government - known as 'recourse to public funds'
- you need permission to stay in the UK - again known as 'leave to enter or remain' - but you don't have it
- you have been refused permission to stay in the UK, but you have appealed against that decision and your appeal hasn't been decided yet
- you have been given permission to stay in the UK, but on the condition that someone else, like a friend or relative, pays for your upkeep and provides you with somewhere to live

Sometimes if you are subject to immigration control you might still be able to claim tax credits, for example, if you are part of a couple and only one of you is subject to immigration control.

For more information you can get our factsheet WTC/FS5, 'Tax credits - coming to the UK'. To get a copy:

- go to www.hmrc.gov.uk/leaflets/wtc-fs5.pdf
- phone our helpline (read page 11) if you don't have access to the internet

You can also get our factsheet WTC/FS6, 'Tax credits - for people leaving the UK'. To get a copy:

- go to www.hmrc.gov.uk/leaflets/wtc-fs6.pdf
- phone our helpline (read page 11) if you don't have access to the internet

You must make a joint claim as a couple if you are:

- married
- in a civil partnership

unless you are separated under a court order or your separation is likely to be permanent.

You must also claim as a couple if you are living with someone as if you are:

- married
- in a civil partnership

You should still make a joint claim as a couple even if you are apart for short periods, for example, your partner is working away from home, on holiday or in hospital.

If you don't have a partner you should make a claim as a single person based on your individual circumstances.

Child Tax Credit

Child Tax Credit supports families with children.

You can claim Child Tax Credit if you are responsible for at least 1 child or young person. You don't have to be working to claim.

You can usually claim Child Tax Credit for a child who lives with you until the 31 August after their 16th birthday. After this, you can still claim for them as long as they are under 20 and in full-time non-advanced education or approved training.

Who can claim

Full-time, non-advanced education

Full-time, non-advanced education will usually be in a school or college but may also be somewhere other than a school or college if, before the child's 16th birthday, they received education elsewhere. In England all 16 to 19 study programmes are considered full-time and non-advanced.

By full-time we mean an average of more than 12 hours supervised study a week, during term-time, not counting breaks for meals and homework.

We do not mean courses or education provided by an employer or as part of a job contract.

Examples of non-advanced education are:

- GCSEs, A levels and other general academic qualifications of a similar standard, for example, iGCSEs, Pre-U and the International Baccalaureate
- NVQ level 1, 2 or 3
- BTEC National Diploma, National Certificate and First Diploma
- Traineeships (England)
- National 4 and 5 (Scotland)
- SVQ level 1, 2 or 3
- Scottish Group Awards

This is not a complete list.

Approved training

Training is approved if it is provided under one of the following programmes.

In England - Access to Apprenticeships

In Scotland - The Employability Fund

In Wales - Foundation Apprenticeships or Traineeships

In Northern Ireland:

- Training for Success (including Programme Led Apprenticeships)
- Pathways for Success (Pathways for Young People element) or The Collaboration and Innovation Programme

Training provided by an employer as part of a contract of employment does not count as approved.

If your child is 16 or 17 and has left full-time non-advanced education or approved training, you may be able to get Child Tax Credit for them for up to 20 weeks after they left.

To qualify for these extra weeks, your child needs to have registered for work, education or training with:

- the careers service, Connexions, local authority support service or similar organisation within the European Union
- the Ministry of Defence, if they're waiting to join the armed forces

To get these extra weeks, you must claim within 3 months of your child leaving education or training.

You can't claim Child Tax Credit for a young person aged 16 to 19 who:

- leaves full-time, non-advanced education or approved training and is in paid work for 24 hours or more a week
- gets benefits or tax credits in their own right
- is serving a custodial sentence (imposed by a court) of more than 4 months

We pay Child Tax Credit on top of Child Benefit and any Working Tax Credit you may be able to get.

How much I can claim

The table on page 6 shows how much money you could get for the tax year 6 April 2015 to 5 April 2016 if you cannot get Working Tax Credit. You could get more if you are in work.

The first figure in each column shows the maximum amount available and goes down as your income (or joint income, if you are part of a couple) goes up.

In general, taxable income such as:

- earnings from employment or profits from self-employment
- some social security benefits
- income from savings

counts as income in both Child Tax Credit and Working Tax Credit claims.

The claim form notes explain in more detail what counts as income.

Child Tax Credit only (£)			
Annual income (£)	1 child/ young person	2 children/ young persons	3 children/ young persons
No income	3,330	6,110	8,890
5,000	3,330	6,110	8,890
8,000	3,330	6,110	8,890
10,000	3,330	6,110	8,890
15,000	3,330	6,110	8,890
20,000	1,730	4,510	7,290
25,000	0	2,460	5,240
30,000	0	410	3,190
35,000	0	0	1,140
40,000	0	0	0

Please note: If you have a child with a disability, you may be entitled to more.

How Child Tax Credit is paid

We pay Child Tax Credit directly to the bank, building society or Post Office® card account of the main carer for all the children in the family. You can choose who is the main carer and whether to get payments weekly or every 4 weeks.

If I'm getting another benefit

You are entitled to the maximum amount of Child Tax Credit for your children if you get:

- Income Support
- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance
- Pension Credit

Who can claim

Working Tax Credit

Working Tax Credit is for working people (employed or self-employed) on low incomes, including those who don't have children. There are extra amounts for:

- working households in which someone has a disability
- the costs of qualifying childcare

If you are responsible for a child or young person and you are not part of a couple you can claim Working Tax Credit if you are aged 16 or over **and** you work at least 16 hours a week.

If you are responsible for a child or young person and you are part of a couple you can claim Working Tax Credit if you are both aged 16 or over **and**:

- you work at least 24 hours a week between you with 1 partner working at least 16 hours a week
- 1 partner works at least 16 hours a week and that partner qualifies for the disability element of Working Tax Credit or is aged 60 or over
- 1 partner works at least 16 hours a week and the other partner can't work because they are
 - incapacitated (getting certain benefits because of disability or ill health)
 - an in-patient in hospital
 - in prison serving a custodial sentence or remanded in custody awaiting trial or sentence
 - entitled to Carer's Allowance

If you are not responsible for a child or young person you can claim Working Tax Credit if you or your partner:

- are aged 25 or over **and** work at least 30 hours a week
- are aged 16 or over, work at least 16 hours a week **and** qualify for the disability element of Working Tax Credit
- are aged 60 or over **and** work at least 16 hours a week

The detailed rules for people with disabilities are in the claim form notes.

How much I can claim

The amount of Working Tax Credit you get is based on your circumstances, for example, how many hours you normally work, and your income (or joint income, if you are part of a couple).

The table below shows how much money you could get for the tax year 6 April 2015 to 5 April 2016 if you are in work and responsible for at least 1 child or young person.

Working Tax Credit and Child Tax Credit (£)			
Annual income (£)	1 child/ young person	2 children/ young persons	3 children/ young persons
5,408 ¹	7,300	10,080	12,864
10,140 ²	6,590	9,370	12,150
15,000	4,600	7,380	10,160
20,000	2,550	5,330	8,110
25,000	500	3,280	6,060
30,000	0	1,230	4,010
35,000	0	0	1,960
40,000	0	0	0

¹ Those with incomes of £5,408 a year are assumed to work part-time (working between 16 and 29 hours a week).

² In families with an income of £10,140 or more a year, at least 1 adult is assumed to be working 30 hours or more a week (consistent with the minimum adult wage of £6.50 based on 2014 rates for those aged 21 and over).

Please note: If you have a child with a disability, you may be entitled to more.

The table below shows how much money you could get if you are in work and not responsible for any children or young persons.

Annual income (£)	Working Tax Credit, for those without children (£)	
	Single person aged 25 or over working 30 hours or more a week	Couple, working adults aged 25 or over, working 30 hours or more a week
10,140 ¹	1,250	3,260
11,000	900	2,910
12,000	490	2,500
13,000	80	2,090
14,000	0	1,680
15,000	0	1,270
16,000	0	860
17,000	0	450
18,000	0	40
19,000	0	0

¹ Someone aged 25 or over, working 30 hours a week on National Minimum Wage (based on October 2014 rates) would earn £10,140 a year.

You can get a higher rate of Working Tax Credit if you (or your partner, if you are part of a couple):

- are a working person who qualifies for a disability element
- have a severe disability

Help with the costs of childcare if I'm working

You may be able to get extra help with the costs of 'registered' or 'approved' childcare. We call this the childcare element of Working Tax Credit. The claim form notes tell you what 'registered' or 'approved' childcare is.

You can only get the childcare element if you are working at least 16 hours a week. If you are part of a couple, generally both you and your partner must work at least 16 hours a week to qualify. Only one of you must work at least 16 hours if the other can't work because they are:

- incapacitated (getting certain benefits because of ill health or disability)
- an in-patient in hospital
- in prison serving a custodial sentence or remanded in custody awaiting trial or sentence
- entitled to Carer's Allowance

The childcare element is worth up to 70 pence in tax credits for every £1 a week you spend on approved childcare. This is limited to a childcare cost of £175 a week if you have 1 child and £300 a week for 2 or more children. The maximum childcare element you can get is either:

- £122.50 a week (70% of £175) for 1 child
- £210 a week (70% of £300) for 2 or more children

For example, if you spend £100 a week, the childcare element is worth up to £70 in tax credits. If you spend £40 a week, the childcare element is worth up to £28.

The childcare element is in addition to the amount of Working Tax Credit you can get, but is paid with Child Tax Credit to the main carer in the family. The final amount you get will depend on your income (or joint income, if you are part of a couple).

How Working Tax Credit is paid

We pay Working Tax Credit directly to your bank, building society or Post Office® card account.

How I can claim or get more information

For more information about tax credits, and to check if you can claim, go to www.gov.uk/browse/benefits/tax-credits

For an estimate of how much you may get, go to www.gov.uk/tax-credits-calculator

Help and advice

If you want a claim pack or more advice about tax credits, you can:

- phone the Tax Credit Helpline on **0345 300 3900**
- textphone the Tax Credit Helpline (for people with hearing or speech difficulties) on **0345 300 3909**

For our opening hours, go to www.gov.uk/hmrc/contact or phone us.

When you phone you should tell us your:

- income details (and those of your partner if you have one) for the tax year from 6 April 2014 to 5 April 2015
- National Insurance number

Backdating your claim

This usually happens automatically and we can normally only backdate your tax credits for **up to 1 month** from the date we get your claim (provided that you have met the qualifying conditions during this period). To avoid losing money make sure you claim straightaway.

Sometimes we cannot backdate your tax credits automatically.

You will need to ask us to backdate if:

- you've been getting Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance or Pension Credit
- you're only claiming Working Tax Credit (you're not claiming for any children)

To ask for backdating you will need to attach a separate sheet of paper to your claim form telling us:

- your name, address and National Insurance number
- the date you started work, or the start date of your Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance or Pension Credit

We may be able to backdate your claim more than 1 month if you, your partner or child have a disability. There are also separate conditions that apply if you are claiming asylum in the UK. For more information on backdating your claim, go to www.gov.uk/claim-tax-credits

Universal Credit and tax credits

Universal Credit is a new single monthly benefit for people who are on a low income or are out of work. It is being introduced in stages and will eventually replace Working Tax Credit and Child Tax Credit. It will affect people at different times depending on where they live, their circumstances and what benefits they claim.

If you are already getting tax credits, you do not need to do anything yet.

You should continue to report changes in your circumstances that could affect your tax credits as soon as possible. If your change of circumstances means you become entitled to Universal Credit, for example if you lose your job or start living with a partner who already gets Universal Credit, your tax credits payments will stop and you will make a Universal Credit claim instead. You can't claim Universal Credit and tax credits at the same time.

For more information about Universal Credit, go to www.gov.uk/universal-credit

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.gov.uk/hmrc/your-charter

If you give us incorrect information, we may charge you a penalty up to £3,000 or we may prosecute you. Our leaflet WTC7, 'Tax credit penalties' gives more information about penalties. You can get a copy:

- online, go to **www.hmrc.gov.uk/leaflets/wtc7.pdf**
- by phoning our helpline (read page 11) if you don't have access to the internet

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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