Remember, even though you have renewed your claim you still need to keep us up-to-date

We’d like to say thank you for renewing your tax credits claim. If your family or income circumstances have changed since you renewed your claim, or if they do in the future, you need to let us know straightaway. We go into more detail about this on the next page.

We need you to keep us informed so we can make sure you receive the right amount of money. Because if any of your details change, your entitlement may too.

Do we have your final income figures?

If you gave us an estimate of your 2003/04 income, remember you need to provide us with your actual figures. The sooner you do this the better but please make sure it’s before the 31 January 2005 deadline.
It’s vitally important that you tell us as soon as possible if any of the changes below have happened to you. If you don’t, you may not be paid the right amount of tax credits.

### Have your family or income circumstances changed?

Not telling us could cost you money.

### Changes you must tell us about within 3 months

If you don’t tell us within 3 months, you may have to pay a penalty

- **If your living circumstances have changed**
  - If you and your partner made a joint claim and you stop living together
  - If you start to live with a new partner and either of you have been claiming tax credits separately

- **If you go abroad**
  - If you or your partner leave the UK permanently or for more than 8 weeks
  - If you go abroad due to an illness, family illness or bereavement for more than 12 weeks

- **If your child care costs change**
  - If you stop paying for child care
  - If your child care costs reduce by £10 or more for at least 4 weeks in a row

### Other changes we need to know about

To ensure you receive the right amount of tax credits, you need to tell us about these changes within 3 months

- **If your job details change**
  - If you start working more or fewer hours
  - If you leave an employer who pays your Working Tax Credit

- **If the number of children you are responsible for changes**

- **If your child care arrangements change**
  - If you start paying an approved child care provider
  - If your child care costs rise by £10 a week or more, for 4 weeks or longer
  - If you change your child care provider

- **If your child is 16 or over and:**
  - Leaves full-time education before they reach 19
  - OR starts claiming tax credits or certain social security benefits in their own right
  - OR stops full-time education but registers with a Careers Service, Connexions Service or equivalent

- **If your income changes**
  - Tell us if you expect your income for the year to be more than the amount shown on your award notice
  - You can also tell us if your income for this year is likely to be lower than last year

- **If your, your partner’s or your child’s disability circumstances change**
  - If you become disabled, putting you at a disadvantage when looking for a job
  - If you no longer have a disability that puts you at a disadvantage in getting a job
  - If you, your partner or your child stop receiving Disability Living Allowance

- **If you stop receiving certain benefits**
  - Such as Income Support, income-based Jobseeker’s Allowance or any element of Pension Credit

- **If you, your partner or a child named on the claim change address**

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**AVOID A PENALTY – TELL US WITHIN 3 MONTHS**
What happens if you received too much tax credit for 2003/04?

You will receive an amended award notice from us telling you how we are adjusting your payments. We have included some example situations below which may be helpful to you.

<table>
<thead>
<tr>
<th>“I can't pay it all back straightaway”</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you are still getting tax credit payments, we will normally recover the overpayment by reducing your payments. There are set limits on how much we reduce your payments by.</td>
</tr>
<tr>
<td>- 10% for claimants receiving the maximum award</td>
</tr>
<tr>
<td>- 100% for claimants receiving only the family element of Child Tax Credit</td>
</tr>
<tr>
<td>- 25% for all other claimants</td>
</tr>
<tr>
<td>If you no longer receive tax credits, we will write to you to ask you to pay the money back direct. You will be able to pay the money back over 12 months if you wish.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>“I want to pay it back straightaway”</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you prefer, you can send us a personal cheque to: Inland Revenue, Tax Credits Office, Valuables Team, Floor 14, Guild Centre, Lord's Walk, Preston, PR1 1RA.</td>
</tr>
<tr>
<td>Please include a covering letter with your cheque, showing your name and National Insurance number.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>“My family circumstances have changed since my last award. Can you still recover the overpayment from my current award?”</th>
</tr>
</thead>
<tbody>
<tr>
<td>We will generally recover an overpayment from an old award by reducing your continuing payments. However, we will not recover an overpayment by reducing payments under your current award if:</td>
</tr>
<tr>
<td>- you were with a partner when you were claiming your old award and have now split up</td>
</tr>
<tr>
<td>OR</td>
</tr>
<tr>
<td>- you were claiming your old award as an individual and now have a partner</td>
</tr>
<tr>
<td>Instead, we will ask you to pay the money back direct.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>“I don't think I should repay the overpayment”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our Code of Practice 26 describes the circumstances when we might not ask you to pay the money back. You can refer to this at <a href="http://www.inlandrevenue.gov.uk/leaflets/c11.htm">www.inlandrevenue.gov.uk/leaflets/c11.htm</a></td>
</tr>
<tr>
<td>If you do not agree that you should have to repay, you need to set out your reasons in writing. Form TC846 is available with the Code of Practice on our website or from the Helpline.</td>
</tr>
</tbody>
</table>

If you think that we have made a mistake and have been paying you too much, please contact the Helpline on 0845 300 3900.

Adjusting payments during the year

We may need to adjust your payments to avoid paying you too much tax credit. If this adjustment causes you hardship, or you think we should not be making a recovery, you should contact us.

We may then, depending on the size of your award, make additional payments to bring your credits back to a higher level.

This will mean that you will have an overpayment at the end of the year. Our Code of Practice 26 gives more details of when we will and won't make additional payments.
Making sure everybody gets the right amount - checking claims

It's our duty to make sure everybody gets the right amount and that the system is operated fairly. We will compare the details you give us with information we hold from other sources, including information supplied by child care providers.

If you give us incorrect information or do not provide information when you should, we could ask you to pay a penalty or, in serious cases, prosecute you.

For more information, please visit www.inlandrevenue.gov.uk/leaflets/c11.htm and refer to our Codes of Practice 23 and 27.

Tax Credits Online – the simpler way to manage your claim

If you have access to the internet, you can use Tax Credits Online. It's a secure and convenient service that will help you manage your claim.

You can tell us of any changes in your circumstances as soon as they happen. You can also renew your claim and check your tax credits history.

What's more, you will benefit from automatic calculations, quicker processing of claims and when you request online help, we will provide you with the relevant sections based on your circumstances.

So why not register? Go to www.inlandrevenue.gov.uk/taxcredits

How to get in touch

Online
For more information on tax credits visit our website at www.inlandrevenue.gov.uk/taxcredits

By phone
(GB) 0845 300 3900
(N.Ireland) 0845 603 2000

By textphone
(GB) 0845 300 3909
(N.Ireland) 0845 607 6078

The Tax Credits Helpline is open from 8am to 8pm every day including weekends, except Christmas Day, Boxing Day, New Year's Day and Easter Sunday.

By post
If you live in Great Britain:
Inland Revenue, Tax Credit Office,
PRESTON, PR1 0SB.

If you live in Northern Ireland:
Inland Revenue, Tax Credit Office,
Dorchester House, 52-58 Great Victoria Street, BELFAST, BT2 7WF.

You will need to quote your National Insurance number, and your partner’s, if you have claimed jointly.