



HM Revenue
& Customs

Child Tax Credit and Working Tax Credit

An introduction

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We have a range of services for people with disabilities, including guidance in Braille, audio and large print. All of our leaflets are also available in large print. Please contact us on any of our phone helplines if you need these services.

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

Introduction

Who can claim?

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 one child and a household income up to £26,000
- you have two children and a household income up to £32,200.

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 two children or have a child with a disability. See the table on page 5.

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.

Some people may be able to get tax credits even if they do not live in the UK.

Please phone our helpline (see page 10) 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, or
- 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/Bereavement Benefit
 - Incapacity Benefit
 - Severe Disablement Allowance.

*The EEA consists of all Member States of the European Union (EU) plus Norway, Iceland and Liechtenstein.

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

- 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 do not 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, or
- 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.

More information about these rules can be found on our website. Go to www.hmrc.gov.uk/taxcredits and follow the link for *Tax credits - Who qualifies?* and then *New arrivals to the UK and tax credits*.

You can also get our factsheet *WTC/FS5 Tax credits – coming to the United Kingdom*. You can get a copy:

- online, by going to www.hmrc.gov.uk/leaflets/wtc-fs5.pdf
- by phoning our helpline (see page 10).

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

- married, or
- 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, or
- 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 do not have a partner you should make a single claim based on your individual circumstances.

Child Tax Credit

Can I claim?

Child Tax Credit supports families with children.

You can claim Child Tax Credit if you are responsible for at least one 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 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.

Full-time, non-advanced education will usually be in a school or college, averaging more than 12 hours supervised study a week (in term time) studying for qualifications like:

- A levels
- Scottish Highers
- NVQ at level 3.

Education does not count as full-time, non-advanced education if it is provided by your child's employer or as part of any official role they hold. If your child's study is not at a school or college, check with our helpline (see page 10) to see if they qualify.

Approved training includes training courses like:

- Traineeships, Programme Led Apprenticeships, ApprenticeshipsNI
- Foundation Learning Programme, or
- Get Ready for Work.

Training provided by an employer as part of a job contract doesn't 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 with one of the following:

- the careers service, Connexions or similar organisation within the EU
- the Ministry of Defence, if they're waiting to join the Armed Forces.

To get these extra weeks, you must claim within three 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
- receives benefits or tax credits in their own right
- is serving a custodial sentence of more than four months imposed by a court.

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

How much can I claim?

The table on the next page shows how much money you could get for the tax year 6 April 2012 to 5 April 2013 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 up as your income (or joint income, if you are part of a couple) goes down.

In general, taxable income such as:

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

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

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

Child Tax Credit only (£)			
Annual income (£)	One child/young person	Two children/young persons	Three children/young persons
No income	3,240	5,930	8,620
5,000	3,240	5,930	8,620
8,000	3,240	5,930	8,620
10,000	3,240	5,930	8,620
15,000	3,240	5,930	8,620
20,000	1,545	4,235	6,925
25,000	0	2,185	4,875
30,000	0	135	2,825
35,000	0	0	775
40,000	0	0	0
45,000	0	0	0

Note: *If you have a child with a disability, you may be entitled to more.*

How do you pay Child Tax Credit?

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 four weeks.

What if I'm getting another benefit?

If you get one of the following benefits, you are entitled to the maximum amount of Child Tax Credit for your children:

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

Can I claim?

Working Tax Credit

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

- working households in which someone has a disability, and
- 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 one partner working at least 16 hours a week
- one 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, or
- one 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), in hospital or in prison serving a custodial sentence or remanded in custody awaiting trial or sentence.

If you aren't 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 can I 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 2012 to 5 April 2013 if you are in work and responsible for at least one child or young person.

Working Tax Credit and Child Tax Credit (£)			
Annual income (£)	One child/young person	Two children/young persons	Three children/young persons
5,058 ¹	7,115	9,805	12,495
9,485 ²	6,650	9,340	12,030
10,000	6,440	9,130	11,820
15,000	4,390	7,080	9,770
20,000	2,340	5,030	7,720
25,000	290	2,980	5,670
30,000	0	930	3,620
35,000	0	0	1,570
40,000	0	0	0
45,000	0	0	0

¹ *Those with incomes of £5,058 a year are assumed to work part-time (working between 16 and 29 hours a week).*

² *In families with an income of £9,485 a year or more, at least one adult is assumed to be working 30 hours or more a week (consistent with the minimum adult wage of £6.08 based on October 2011 rates for those aged 21 and over).*

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
9,485 ¹	1,460	3,415
10,000	1,250	3,205
11,000	840	2,795
12,000	430	2,385
13,000	0	1,975
14,000	0	1,565
15,000	0	1,155
16,000	0	745
17,000	0	335
18,000	0	0
19,000	0	0

¹ *Someone aged 25 or over, working 30 hours a week on National Minimum Wage (based on October 2011 rates) would earn £9,485 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, or
- have a severe disability.

Can I get 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)
- in hospital, or
- in prison
 - serving a custodial sentence, or
 - remanded in custody awaiting trial or sentence.

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

- £122.50 a week (70% of £175) for one child, or
- £210 a week (70% of £300) for two or more children.

For example, if you spend £100 a week, the childcare element is worth up to £70 in tax credit. 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 do you pay Working Tax Credit?

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

How do I claim or get more information?

For more information about tax credits, and to check if you can claim, you can go to our website at www.hmrc.gov.uk/taxcredits
For an estimate of the how much you may get follow the link for *Tax credits entitlement* then *Tax credits calculator*.

Help and advice

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

- phone our helpline on **0345 300 3900**
- textphone our helpline (for people with hearing or speech difficulties) on **0345 300 3909**.

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

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 2011 to 5 April 2012
- National Insurance number (and that of your partner).

Backdating your claim

This usually happens automatically and we can normally only backdate your tax credits for up to **one** 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 straight away.

Sometimes we cannot backdate your tax credits automatically. You will need to ask for backdating 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 one 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 go to www.hmrc.gov.uk/taxcredits then follow the link *Claiming tax credits* then *Backdating or claiming ahead for tax credits*.

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.

HMRC Customer Information Team
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