



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. Most of our products 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

Child Tax Credit and Working Tax Credit help to support families with children and working people on low incomes.

Who can claim?

Child Tax Credit supports families with children (this can include children until 31 August after their 16th birthday and young persons aged from 16 but under 20 years old). You can claim whether or not you are in work.

All families with children, with income of up to **£58,000** a year (or up to **£66,000** a year if there is a child under one year old), can claim the credit in the same way.

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 United Kingdom (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 the 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 another 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
- are a national of an EEA Member State (including the UK) or of Switzerland, living in the EEA or Switzerland, and are receiving UK state pension or contributions-based Jobseeker's 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're subject to 'immigration control'. Immigration control means either one of the following:

- the Home Office says you have 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.

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

More information about these rules can be found in our factsheet *WTC/FS5 Tax credits - coming to the United Kingdom* or on our website at www.hmrc.gov.uk

If you are single or permanently separated (for example you are in the process of getting a divorce), you should make a single claim. You must make a joint claim as a couple if you are:

- married
- a man and a woman living together as if you are married
- part of a civil partnership
- a couple living together as if you are in a civil partnership.

You are still a couple even if you are living apart temporarily - for example, one of you is working away from home or you are on a trial separation.

Child Tax Credit

Child Tax Credit supports families with children.

Can I claim?

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, studying for qualifications like:

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

Approved training courses don't pay wages, and include things like Entry to Employment, Skillbuild or Get Ready for Work.

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:

- a careers service, Connexions or similar organisation (in Northern Ireland, the Department for Employment and Learning or an Education and Library board)
- the Ministry of Defence, if they're waiting to join the Armed Forces.

You can't claim Child Tax Credit for a child aged 16 to 19 who has left full-time education or approved training and is:

- doing paid work for 24 hours or more a week, or
- claiming benefits or tax credits in their own right.

How much can I claim?

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

The table on the next page shows how much money you could get for the tax year 2010-11 (that is, 6 April 2010 to 5 April 2011) 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 decreases as your income (or joint income, if you are part of a couple) increases. 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 guidance notes that go with the claim form (TC600) explain in more detail what counts as income.

Annual Income (£)	Child Tax Credit only (£)		
	One Child	Two Children	Three Children
Not working	2,850	5,150	7,455
5,000	2,850	5,150	7,455
8,000	2,850	5,150	7,455
10,000	2,850	5,150	7,455
15,000	2,850	5,150	7,455
20,000	1,360	3,665	5,970
25,000	545	1,715	4,020
30,000	545	545	2,070
35,000	545	545	545
40,000	545	545	545
45,000	545	545	545
50,000	545	545	545
55,000	210	210	210
60,000	–	–	–

Note: If you have a child under one year old or with a disability, you may be entitled to more.

What if I have a new baby?

You will get a higher rate of Child Tax Credit, which we pay for a year from the child's birth.

How do you pay Child Tax Credit?

We pay Child Tax Credit directly to the main carer for all the children in the family. You can choose whether to get payments weekly or every four weeks and who is the main carer.

We normally pay tax credits into a bank or building society account.

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.

Working Tax Credit

Working Tax Credit tops up the earnings of 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.

Can I claim?

If you are responsible for a child or young person you can claim Working Tax Credit if you are aged 16 or over **and** you or your partner work at least 16 hours a week.

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 **and**
 - work at least 16 hours a week **and**
 - qualify for the disability element of Working Tax Credit
- are aged 50 or over **and**
 - work at least 16 hours a week **and**
 - qualify for the 50-plus element of Working Tax Credit.

The detailed rules for people with disabilities and those aged 50 or over returning to work after a period on benefits are in the notes that go with the claim form.

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 2010-11 (that is, 6 April 2010 to 5 April 2011) if you are in work and responsible for at least one child or young person.

Annual Income (£)	Working Tax Credit and Child Tax Credit (£)		
	One Child	Two Children	Three Children
Not working	2,850	5,150	7,455
5,000 ¹	6,660	8,965	11,270
9,050 ²	6,430	8,730	11,035
10,000	6,060	8,360	10,665
15,000	4,110	6,410	8,715
20,000	2,160	4,460	6,765
25,000	545	2,510	4,815
30,000	545	560	2,865
35,000	545	545	915
40,000	545	545	545
45,000	545	545	545
50,000	545	545	545
55,000	210	210	210
60,000	–	–	–

¹ *Those with incomes of £5,000 a year are assumed to work part-time (working between 16 and 30 hours a week).*

² *In families with an income of £9,050 a year or more, at least one adult is assumed to be working 30 hours or more a week (consistent with the minimum wage of £5.80 for those aged 22 and over).*

Note: *If you have a child under one year old or 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 people.

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
9,050 ¹	1,685	3,580
10,000	1,315	3,210
11,000	925	2,820
12,000	535	2,430
13,000	145	2,040
14,000	–	1,650
15,000	–	1,260
16,000	–	870
17,000	–	480
18,000	–	90
19,000	–	–

¹ Someone aged 25 or over, working 30 hours a week on National Minimum Wage would earn £9,050 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 aged 50 or over and are returning to work after claiming qualifying out-of-work benefits
- 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 notes that go with the claim form 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 have to work at least 16 hours a week. Only one of you has to work at least 16 hours if the other can't work because they are:

- ill or disabled and claiming disability benefits
- in hospital, or
- in prison
 - serving a custodial sentence, or
 - remanded in custody awaiting trial or sentence.

The childcare element is worth up to 80 pence in tax credit for every £1 a week you spend on approved childcare. This is limited to £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:

- £140 a week (80% of £175) for one child, or
- £240 a week (80% of £300) for two or more children.

If you spend £100 a week, the childcare element is worth up to £80 in tax credit. If you spend £40 a week, the childcare element is worth up to £32.

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

How do you pay Working Tax Credit?

We pay Working Tax Credit directly to your bank or building society account.

If you are part of a couple and you both work at least 16 hours a week, you can decide who gets the payments of Working Tax Credit.

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

Help and advice

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

- phone our Helpline on **0845 300 3900**
- textphone the Helpline (for people with hearing or speech difficulties) on **0845 300 3909**.

When you phone you should tell us your:

- income details (and those of your partner if you have one) for the tax year 2009-10 (that is, from 6 April 2009 to 5 April 2010)
- 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 **three** months from the date we get your claim. To avoid losing money make sure you claim as soon as you think you qualify.

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.

HM Revenue & Customs' commitment

Customer Service

We aim to provide a high quality service with guidance that is simple, clear and accurate.

We will:

- be professional and helpful
- act with integrity and fairness, and
- treat your affairs in strict confidence within the law.

We aim to handle your affairs promptly and accurately so that you receive or pay only the right amount due.

Putting things right

If you are not satisfied with our service, please let us know what is wrong. We will work as quickly as possible to put things right and settle your complaint.

If you are still unhappy, ask for your complaint to be referred to the Complaints Manager.

Customers with particular needs

We offer a range of facilities for customers with particular needs, including:

- wheelchair access to nearly all Enquiry Centres
- help with filling in forms
- for people with hearing difficulties
 - RNID Ttypetalk
 - Induction loops.

We can also arrange additional support, such as:

- home visits, if you have limited mobility or caring responsibilities and cannot get to one of our Enquiry Centres
- services of an interpreter
- sign language interpretation
- leaflets in large print, Braille and audio.

For complete details please:

- go online at www.hmrc.gov.uk/enq or
- contact us. You will find us in *The Phone Book* under HM Revenue & Customs.

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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Printed in the U.K. by Paragon. HMRC 04/10 MMN



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