



Tax Credits & Childcare Vouchers Fact Sheet

LOPC is an OFSTED registered
childcare provider: 226869

Tel: 0116 268 1426

E: info@lopc.co.uk

W: www.lopc.co.uk

15 Acres of Adventure in the Heart of Leicester

What are tax credits?

You can claim two tax credits, Child Tax Credit and Working Tax Credit. The general rule is that to qualify for tax credits you must be aged 16 or over and usually live in the United Kingdom.

Child Tax Credit (CTC)

CTC is for people who are responsible for at least one child or qualifying young person. You do not have to be working to claim CTC. Child Tax Credit is paid direct to the person who is mainly responsible for caring for the child or children.

CTC is made up of the following

- Family element, the basic element for families responsible for one or more children.
- Child element, one for each child you are responsible for.
- Disability element, one for each child you are responsible for.

Working Tax Credit (WTC)

WTC is for people who are employed or self-employed who:

- usually work 16 hours or more a week
- are paid for that work, and
- expect to work for at least 4 weeks

WTC is made up of the following:

- basic element, paid to any working person who meets the conditions
- lone parent element, for single parents
- couples element, for couples
- 30 hour element, for people who work at least 30 hours a week.
- disability element, for people with a disability
- severe disability element, for people with a severe disability
- 50-plus element, for people aged 50 or over who are starting work after a period on benefits
- childcare element, for people who spend money on registered or approved childcare.

The amount of tax credits you receive will depend on your annual income. The following webpage will help you calculate what you are entitled to:

<http://taxcredits.hmrc.gov.uk/Qualify/DIQHousehold.aspx>

Childcare

As part of WTC you may qualify for help towards the costs of childcare. Childcare means you are paying for your child or children to be looked after by a childcare provider – such as Leicester Outdoor Pursuits Centre.

Childcare Costs

This is the amount of money you pay to the approved childcare provider for them to look after your child or children. As part of WTC you may qualify for help towards the costs of childcare. If you qualify, the amount of help you receive will depend on your income.

You can get up to 70p for every £1.00 you pay out in childcare costs.

This is up to a limit of £175.00 in costs per week for one child and £300.00 for two or more children. Any costs that you pay in excess of these amounts are not used in the calculation.

This means the most you can receive for the childcare element is £122.50 (£175 at 70p in the £1) if you have one child or £210.00 (£300 at 70p in the £1) if you have two or more children.

You can claim for any child up to the Saturday following 1 September after their 15th birthday.

Childcare Provider's Registration Number

This is the registration number given to childcare providers to show that they are approved.

The registration number will be supplied by OFSTED or the Care Standards Commission for organisations working in England,

If your childcare is with an out of school club the registration number may have been issued to the club by your local authority

Leicester Outdoor Pursuits Centre's number is 226869 – issued by OFSTED

All information taken from the website of Her Majesty's Revenue and Customs – www.taxcredits.hmrc.gov.uk



Childcare Vouchers

Your employer may be able to give you childcare vouchers, if so then the first £55 a week is free from both tax and National Insurance Contributions (a potential saving of up to £15 per week) if the qualifying conditions are met. Any associated childcare voucher administration costs you pay are also exempt.

The qualifying conditions are that:

You can only use the childcare vouchers to pay for childcare that has been registered or approved such as LOPC's Ofsted approval number 226869;

The child :

- is a child or stepchild of yours and at your expense, either in full or in part, the child is maintained; or
- is resident with you and for whom you have parental responsibility;
- qualifies up to 1 September after their 15th birthday (or 1st September after their 16th birthday if they are disabled); and
- The childcare voucher scheme is generally available to all employees where the scheme operates.

LOPC currently accepts vouchers from the following companies:

- Accor
- Sodexo
- Kiddicare
- Leapfrog
- Care4
- Allsave
- Computer Share
- Busy Bees
- Kids Unlimited
- My Family Care
- Salary Extras



If your employer does not use one of these companies, do not worry, we are easily able to setup similar systems for other voucher schemes.