

CHILD TAX CREDIT

WHAT IS IT?

It is a sum of money claimed from Her Majesty's Revenue and Customs (formerly known as The Inland Revenue) when you are a single parent or a member of a couple (opposite or same-sex) with care of at least one child.

Paid in addition to Child Benefit.

TO QUALIFY

You must be aged at least 16.

HOW MUCH?

This depends on your circumstances. The Credit is calculated in 'elements'. For instance, extra will be paid for a disabled child, or a baby under the age of one. The Tax Credit is then calculated according to your income.

POINTS TO REMEMBER

- ◆ There is no upper limit for savings.
- ◆ New claimants (since 2003) of Income Support, Jobseekers Allowance (ib), Retirement Pension, Carers Allowance, Incapacity Benefit and Bereavement benefits cannot claim additions on those benefits for their children, so have to claim Child Tax Credit for their children instead.
- ◆ If you or your partner are working more than 16 hours, you may also be entitled to Working Tax Credit (see separate factsheet).
- ◆ You do not have to report most changes, e.g. to income (but see below). However you must tell HM Revenue and Customs if you split up from your partner, or become a couple, or a child leaves full-time education or leaves the household.

- ◆ Child Tax Credit is payable to the main carer via a bank account, whether or not the main carer works.
- ◆ The assessment is initially based on your previous year's income (although this can be varied), and adjustments are made at the end of the tax year. This means you do not have to report changes in income.....
- ◆However, you may prefer to report changes as they occur, to avoid under or over-payments at the year end. A rise in income of up to £25,000 does not have to be notified immediately.
- ◆ Other changes, such as a birth or adoption, do not have to be reported, but any increase in entitlement will only be backdated to the date of change if you report them within 3 months.

HOW TO CLAIM

- ◆ Get a copy of form TC600 from HM Revenue and Customs or Jobcentre Plus; or
- ◆ Apply on line – a paper copy will be sent back to you for you to check and sign.

FURTHER HELP

- ◆ Contact HM Revenue and Customs Tax Credits Helpline – 0845 300 3900 / Text phone: 0845 300 0909
- ◆ Contact your local advice centre

NB: see also factsheet “Working Tax Credit”

The information in this factsheet is correct as of April 2009

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