



## **TAX-FREE CHILDCARE AND 30 HOURS FREE CHILDCARE**

Tax-Free Childcare and 30 hours free childcare are two separate government schemes, to help parents with the cost of childcare. Both schemes were effective from September 2017. You can apply for both schemes through one online application to HM Revenue and Customs through [the Childcare Service](#)

To qualify for either scheme, parents must be working and each earning at least £120 a week (on average) and not more than £100,000 each a year.

You can use Tax-Free Childcare alongside the 15 and 30 hours free childcare schemes but you can't use Tax-Free Childcare at the same time as you receive childcare vouchers, Universal Credit or tax credits.

However, 30 hours free childcare can be received alongside childcare vouchers, Universal Credit or tax credits.

When you apply, you'll be considered for both these schemes through the same application. You'll only be asked to decide which support you want if you're on tax credits or using a childcare voucher or salary sacrifice scheme. You should check what help you could get with childcare costs on [www.childcarechoices.gov.uk](http://www.childcarechoices.gov.uk). This will help you decide which support is best for you.

### **Tax-Free Childcare**

You can apply for Tax-Free Childcare if:

- your child is less than 12 years old, or
- your child is disabled and less than 17 years old and they're either:
  - receiving Disability Living Allowance or a Personal Independence Payment
  - severely sight-impaired or blind, confirmed by a consultant ophthalmologist
- the child you're applying for usually lives with you (you don't have to be their parent)
- you live and work in the UK, unless you're a Crown servant or member of the HM Armed Forces posted overseas
- you're working and expect:
  - to earn, on average, at least £120 per week (but see below if you're under 25)
  - your total taxable income to be less than £100,000 per year

If you have a partner, when you apply for Tax-Free Childcare they need to be working and expect to earn, on average, £120 per week and less than £100,000 per year.

A person is your partner if you're:

- married or in a civil partnership, and live together in the same household, or
- a couple who live together as if you're married or in a civil partnership

If you're under 25, you should expect to earn at least £113 a week.

If you're under 24 or an apprentice, you should expect to earn the equivalent of 16 hours, at the National Minimum Wage and Living Wage rate which applies to you.

Every 3 months, you'll need to reconfirm you're still eligible for Tax-Free Childcare using your childcare service account. It's easy to do; you just tick a box to confirm that your details haven't changed. You'll be reminded to do this, 4 weeks before the reconfirmation deadline.

You can't apply for Tax-Free Childcare for a child who is:

- your foster child
- living away from your home for 6 months or more
- in a young offenders' institution or secure children's home or training centre
- being looked after by a local authority, unless its short term respite care

If you're adopting a child, you can apply for Tax-Free Childcare when a court has made an adoption order.

You can apply for Tax-Free Childcare if you're self-employed and have registered your business with HM Revenue and Customs. You can use income from both your employment and self-employment to meet the minimum income. Your first 12 months of self-employment is your start-up period. During this time, you don't have to earn the minimum £120 a week to be eligible for Tax-Free Childcare. You can average your self-employment income across the year to meet the minimum income criteria. You need to meet the minimum using just your self-employment income if you take this approach.

### **30 hours free childcare**

All 3 and 4-year-olds in England already get universal 15 hours a week, or 570 hours a year of free early education. If their parents are living and working in England, 3 and 4-year-olds may be entitled to 30 hours free childcare, an extra 570 hours of free childcare a year, so 1140 hours in total.

The eligibility criteria are the same as the ones for Tax-Free Childcare, except you can continue to get these types of support at the same time as 30 hours free childcare:

- tax credits
- Universal Credit
- childcare vouchers or salary sacrifice schemes
- childcare grants and bursaries

When you apply, you'll be confirming that you need childcare so that you and your partner, if you have one, can work. If your child's already in a full-time reception class in a state funded school, you won't be eligible.

If you're eligible for 30 hours free childcare, you'll receive a 30 hours eligibility code, your unique 11-digit reference number. This code is important as you'll need it to claim your free childcare. You should take the code to your childcare provider along with your National Insurance number and your child's date of birth to secure your free childcare place. Your childcare provider will check the code and confirm your eligibility. You and your childcare provider will then be able to discuss when provision can begin. Please note that you must have an eligible code before the beginning of the term that you wish to claim from.

Every three months, you'll need to reconfirm that you're still eligible for 30 hours free childcare. You'll be reminded to reconfirm you're still eligible 4 weeks before the deadline. If you also receive Tax-Free Childcare, you'll be able to reconfirm your eligibility for both schemes at the same time. You don't need to take your code to your provider every time you reconfirm however, you should notify your provider if you fall out of eligibility. You can apply for 30 hours free childcare for another child at any time. The point at which you'll need to reconfirm will be aligned for all children. This means that you won't need to go online to reconfirm at different points in the month for each child. If you don't reconfirm, your childcare provider and local authority will be told that you no longer meet the requirements for a free childcare place.

If you miss your deadline you will receive a message telling you that your eligibility has lapsed but you may retain the childcare place you have for a short grace period. These grace periods are generally to the end of a term depending on when the validity end date is.

For further help and information please log on to <https://childcare-support.tax.service.gov.uk/> or you can call HM Revenue and Customs Helpline on 0300 123 4097.