



HM Government

Tax-Free Childcare

Tax-Free Childcare will be available to around two million households to help with the cost of childcare, enabling more parents to go out to work.



 If you have a question about Tax-Free Childcare or this toolkit please email tax-free.childcaremailbox@hmrc.gsi.gov.uk

What is Tax-Free Childcare?

Tax-Free Childcare is a new government scheme, which will be available to around two million working households to help with their childcare costs.

From early 2017, working parents with children under 12 (under 17 for disabled children) can set up an online childcare account to pay their childcare providers directly. For every £8 parents pay in, the Government will add £2, up to a maximum contribution of £2,000 per child, per year (£4,000 per year for disabled children).

To qualify, parents must be in work and each earning at least £115 a week and not more than £100,000 per year.

The Government's new childcare options will include:

- More generous support for parents on Universal Credit who, since April 2016, can claim up to 85% of childcare costs, up to a monthly limit of £646 for one child or £1,108 for two or more children.
- From 2017, the Government will introduce Tax-Free Childcare and an additional 15 hours of free childcare for working parents of three and four year olds. Parents will be able to apply for both schemes through a single online application.

The childcare voucher scheme, which parents can only use if their employer participates, will remain open to new entrants until April 2018.

The importance of childcare providers

Childcare providers have a pivotal role in Tax-Free Childcare – if they don't sign up, parents won't be able to use Tax-Free Childcare to pay them.

We will write to childcare providers during September and October 2016 inviting them to sign-up before we launch to parents in early 2017.

Tax-Free Childcare timeline

2016			2017
August to September HM Government will write to registered childcare providers to let them know that Tax-Free Childcare is coming.	September to October HM Government will write to registered childcare providers to invite them to sign-up to be part of Tax-Free Childcare.	Autumn Childcare Calculator launches.	Early 2017 Parents will be invited to apply for Tax-Free Childcare from early 2017. We'll update the toolkit with messages for parents at this point.

Many parents will want to pay for their childcare through this scheme – and that's where you come in.

We're asking you to promote Tax-Free Childcare to childcare providers through your own networks and channels. This could include newsletters, social media, digital communications or other channels.

Please use the information provided in this pack to spread the message, and visit www.gov.uk/government/news/tax-free-childcare-top-things-childcare-providers-should-know for more information.

Spreading the word

We'd like you to start spreading the word as soon as possible, so childcare providers are aware and have the information they need ahead of receiving their invitations to sign-up.

We've included some messages which contain everything childcare providers need to know. We hope you'll find them useful for your communications.

Newsletter

If you're a registered childcare provider, look out for Tax-Free Childcare. Registered childcare providers will be invited to sign-up for Tax-Free Childcare from September 2016. Many parents will want to pay for their childcare through Tax-Free Childcare, and to receive payments from the scheme you must be signed up.

In September and October 2016, the Government will be sending letters to registered childcare providers across the UK inviting you to sign-up online for Tax-Free Childcare.

For more information on Tax-Free Childcare go to www.gov.uk/government/news/tax-free-childcare-top-things-childcare-providers-should-know

If you're a registered childcare provider, look out for Tax-Free Childcare – you'll soon receive a letter from the government containing more information so take a few moments to read it.

Social media

One of the quickest and easiest ways to share messages is through your social media accounts. Please use them in other communications from **August 2016**, for example, emails, your website or digital screens.

Twitter

We would recommend that you accompany your tweets with graphics or images to help convey the message and grab attention. The following URL should be used in all your social media posts:

www.gov.uk/government/news/tax-free-childcare-top-things-childcare-providers-should-know

EXAMPLE

#TaxFreeChildcare is coming soon. Here are the top things you need to know. [add URL]

EXAMPLE

#TaxFreeChildcare is coming soon. Read more: [add URL]

EXAMPLE

#TaxFreeChildcare, helping working families with the cost of childcare. [add URL]

EXAMPLE

If you're a childcare provider, here's what you need to know about **#TaxFreeChildcare**

You must be registered with a regulatory body to offer **#TaxFreeChildcare**

We'll be Tweeting ourselves from **@HMRCgovuk** – don't forget to re-tweet for us to spread the message. [add URL]

Facebook

EXAMPLE

If you're a childminder or nanny, find out more about Tax-Free Childcare – here are the top things you need to know about this new government scheme. [add URL]

EXAMPLE

Are you a childminder? Tax-Free Childcare is a new government scheme and it's coming soon – find out everything you need to know. [add URL]

EXAMPLE

Childminders can sign-up for the new Tax-Free Childcare scheme now - but you must be registered with a regulatory body first. Here's what you need to know. [add URL]

Top five questions

Here are the top five things childcare providers need to know — please share them in your communications and use them to inform your conversations.

1 When can I sign-up for Tax-Free Childcare?

In September and October 2016, the Government will send letters to registered childcare providers across the UK. These letters will invite you to sign-up online for Tax-Free Childcare. You'll be able to sign-up as soon as you receive your invitation. Once you sign-up, you'll appear on our new digital tool, which lets parents search for childcare providers signed up for Tax-Free Childcare. This tool will be available from early 2017.

2 What information do I need to sign-up?

Your letter will include a user ID which you will need to start the online sign-up process. You'll also need:

- If you're running a business: your 10-digit Unique Tax Reference (UTR) number to sign-up for Tax-Free Childcare. This is the number that HM Revenue and Customs (HMRC) gave you when you first told HMRC

that you were working for yourself. You can find your UTR on any HMRC communications, for example, your tax return or your payment reminder. If you can't find your UTR number, HMRC can send this number to your address. For more information call 0300 200 3410.

- If you're a nanny: your National Insurance number to sign-up for Tax-Free Childcare.
- To tell us your bank details.

3 How do parents pay for Tax-Free Childcare?

Parents will be able to send payments directly from their Tax-Free Childcare account to your bank account. Each child will have a Tax-Free Childcare reference number. Parents can share their reference numbers to help you identify payments.

4 When can parents start using Tax-Free Childcare?

Tax-Free Childcare will be rolled out gradually from early 2017, parents with the youngest children able to apply first. Parents will be able to apply for all their children at the same time when their youngest child becomes eligible. All eligible parents will be able to join Tax-Free Childcare by the end of 2017.

5 What happens if the details that my regulator have are not up to date?

We will be sending your invitation to the postal address held by your regulator so you may not receive it if your details are out of date. Please ensure your regulator has your correct details, including your current email address.

For more information on this new offer, and our existing childcare schemes, visit www.gov.uk/childcaresupport.

