



Working Tax Credit – the childcare element

Information for childcare providers

You should read this factsheet if you provide childcare for parents who claim help for childcare costs through tax credits (the childcare element of Working Tax Credit).

Where we refer to parent or parents, we also include other people responsible for children who claim help for childcare costs through tax credits. For example, grandparents or guardians of the child or children.

How parents claim the childcare element

Parents fill in details of their childcare costs and give your contact details as part of their claim. They're responsible for the accuracy of this information.

If you're a registered or approved childcare provider

If you're registered or approved, you'll get a registration or approval number from the authority responsible for childcare registration or approval.

If you're a childcare provider, registered with an Ofsted registered childminder agency (England), you'll get a registration certificate from that childminder agency. This will show their Unique Reference Number (URN) from Ofsted.

Parents will ask you for this number as they must give it to us as part of their tax credits claim.

We'll use this to check the:

- parents are claiming for the costs of registered or approved childcare
- registration or approval number they gave us on their tax credits claim matches your details as their childcare provider

We will not give your registration or approval number to any other organisation.

If you're not a registered or approved childcare provider

If you're not registered or approved, parents cannot claim for help with the costs of any childcare you provide.

How to become registered or approved

For details about becoming registered or approved, contact the relevant authority below.

In England, contact Ofsted. You can:

- go to www.gov.uk/government/organisations/ofsted
- phone 0300 123 1231
- register with a childminder agency that is registered with Ofsted

In Scotland, contact the Care Inspectorate. You can:

- go to www.careinspectorate.com
- phone 0345 600 9527

Help

For more information on tax credits:

- go to www.gov.uk/taxcredits
- phone our Childcare Provider's Helpline on 0345 300 3941
- Relay UK (for people with hearing or speech difficulties) on 18001 then 0345 300 3900
- write to us at:
Tax Credit Office
HM Revenue and Customs
BX9 1ER

For all other tax credits enquiries, phone the Tax Credit Helpline on 0345 300 3900.

- For our opening hours, go to www.gov.uk/contact-hmrc

Yr laith Gymraeg

Ffoniwch 0300 200 1900 i dderbyn fersiynau Cymraeg o ffurflenni a chanllawiau.

Your rights and obligations

'HMRC Charter' explains what you can expect from us and what we expect from you.

- For more information, go to www.gov.uk/government/publications/hmrc-charter

We have a range of services for disabled people. These include guidance in Braille, audio and large print. Most of our forms are also available in large print. Contact our helplines for more information.

How to become registered or approved continued

In Northern Ireland, contact the Early Years Team in your local Health and Social Services Trust. You can:

📍 go to www.nidirect.gov.uk and search for 'Early Years Teams'

In Wales, contact the Care and Social Services Inspectorate Wales. You can:

📍 go to www.cssiw.org.uk

- phone 0300 7900 126

If a parent asks to see evidence of your registration or approval

Parents are responsible for making sure that they only claim for registered or approved childcare.

We encourage parents to:

- ask to see or take a copy of your registration or approval letter - to keep a record of your details
- check that your registration or approval is still valid - especially if you renew them regularly

Parents cannot claim for their childcare costs if your registration or approval runs out, or has not been renewed, even if you've applied to renew it. So try to renew it in plenty of time.

Follow-up checks

When a parent claims for help with their childcare costs, we may check these costs by contacting you directly. This is to make sure that the childcare costs the parent is claiming match the arrangement they actually have with you, as their childcare provider.

We're only checking the details of the person claiming childcare costs. These checks do not affect your own tax credits claim (if you have one) or tax affairs.

When we make these checks

We carry out follow-up checks at any time of the year. We can adjust parents' tax credits to reflect changes in their average childcare costs, so we may do further checks to make sure they've reported any relevant changes.

If we disagree with information given to us

If, after checking with you, we disagree with the information given to us by the person making a claim for childcare costs:

- we may stop payments for childcare if they were not entitled to them
- they may have to pay back any amounts we've already paid
- they may have to pay a penalty of up to £3,000 if they gave wrong information carelessly or on purpose

Changes to childcare costs

Parents must tell us within one month if:

- you stop being registered or approved
- they stop using childcare
- their childcare costs fall to zero
- their child stops going to childcare for more than 4 weeks
- they start getting help from someone else towards their childcare costs (for example, childcare vouchers from their employer or costs which are met by their local authority or local education authority)

If a parent does not tell us about these changes, and we pay them too much tax credits, they'll have to pay it back. They may also have to pay a penalty of up to £300.

We do not need to know about changes of less than £10 a week unless they've reduced to zero.

Our guide WTC5, 'Working Tax Credit: help with the costs of childcare' gives examples of how parents should work out their average weekly childcare costs.

Changes you can tell us about

Phone our Childcare Provider's Helpline on 0345 300 3941 if you think a parent has not:

- reported a change in their childcare costs to us when they should have
- told us that they stopped using you for their childcare

However, we cannot discuss any other details of a parent's claim with you.

When we get in touch with a parent to check the details of their tax credits award, we may give them details of the information that you gave to us.

You provide childcare and you're a relative of the child or parent making the claim

Parents claiming tax credits cannot usually claim help for childcare provided by relatives. However, they can if you're a:

- registered childminder who cares for the child outside of the child's own home
 - childcare provider approved under an Approval of Child Care Providers (Wales) Scheme or a Home Child Care Provider's Scheme in Northern Ireland and you care for the child outside of the child's own home - but you must also care for at least one other child that is not related to you
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Looking after your own child as a childminder or working in the nursery your child attends

If you're a childminder, you cannot claim for the costs of looking after your own children even if you look after them at the same time as you provide childcare for other children.

If you work for a registered or approved nursery or playscheme that your child attends, and you pay for your child to attend, then you can claim for those costs.

Our guide about help with childcare costs

To get a copy of our guide WTC5, 'Working Tax Credit: help with the costs of childcare', you can:

- go to GOV.UK and search for 'WTC5'
- phone the Tax Credit Helpline on 0345 300 3900 if you do not have access to the internet

What we mean by relative

A relative can be a:

- child's parent
- child's grandparent
- child's aunt or uncle
- child's brother or sister
- child's step-parent
- person with a strong relationship to the child, for example, someone in a parental role with their partner's children

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 Services Group
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