

# Your detailed questions about Tax-Free Childcare answered



Tax-Free Childcare will be available to nearly 2 million households to help with the cost of childcare.

Read '[10 things parents should know about Tax-Free Childcare](#)'.

## **What it will mean for parents who currently receive Employer-Supported Childcare (childcare vouchers and directly contracted childcare)**

When Tax-Free Childcare is introduced in autumn 2015, you will be able to choose whether you continue receiving Employer-Supported Childcare or switch to Tax-Free Childcare. A family can't use both schemes at the same time.

Tax-Free Childcare will be open to more than twice as many parents as Employer-Supported Childcare, although, depending on their circumstances, some parents will be better off in the current scheme. The government will provide clear advice and guidance to allow you to decide which support best suits your individual circumstances.

Employer-Supported Childcare will continue to be available to current recipients for as long as their employer continues to offer the scheme. If you move employers after Tax-Free Childcare is introduced in autumn 2015 you will be no longer entitled to Employer-Supported Childcare.

## **What it will mean for parents who are currently self-employed**

Unlike the current scheme which is not available to self-employed parents, you will be able to get support with your childcare costs in Tax-Free Childcare - provided you meet the scheme's eligibility requirements.

You will need to register with HMRC for Self-Assessment (for self-employment purposes) and provide your Unique Taxpayer Reference when registering for Tax-Free Childcare. You will then be eligible for support in the same way as employees.

To support newly self-employed parents, the government is introducing a 'start-up' period during which a self-employed parent will not have to earn the minimum income level. This start-up period will be around twelve months.

Parents will be able to access one start-up period every five years.

## **What it will mean for parents whose employers don't currently offer Employer-Supported Childcare**

Tax-Free Childcare doesn't rely on employers offering the scheme.

Any working family can use the Tax-Free Childcare scheme, provided they meet the scheme's eligibility requirements.

You can register for the scheme direct with government, open a childcare account, and receive 20 per cent support towards qualifying childcare costs (up to a limit of £2,000 government support per child per year).

Tax-Free Childcare will be introduced in autumn 2015. The scheme will be rolled out to all working parents with children under 12 within the first year of the scheme's introduction.

## **What it will mean for parents who currently use an employer's workplace nursery**

Workplace nurseries will not be affected by the introduction of Tax-Free Childcare.

If you meet the eligibility requirements for Tax-Free Childcare, you will be able to access a workplace nursery and receive Tax-Free Childcare, for example, if your child attends qualifying childcare outside of that time that they are in the workplace nursery.