



HM Revenue  
& Customs

## Estimated number of UK families in receipt of Child Benefit or Child Tax Credit in respect of children residing in a non-UK EEA country as at February 2019

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Experimental Statistics

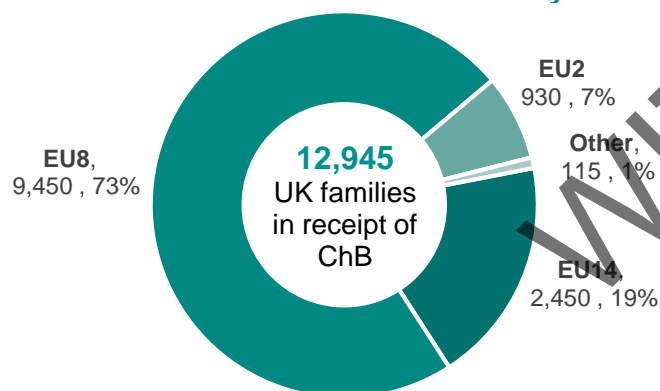
These statistics focus on the number of UK families in receipt of Child Benefit or Child Tax Credit for children that reside in a non-UK EEA country as at February 2019.<sup>1</sup>

### Main Headlines

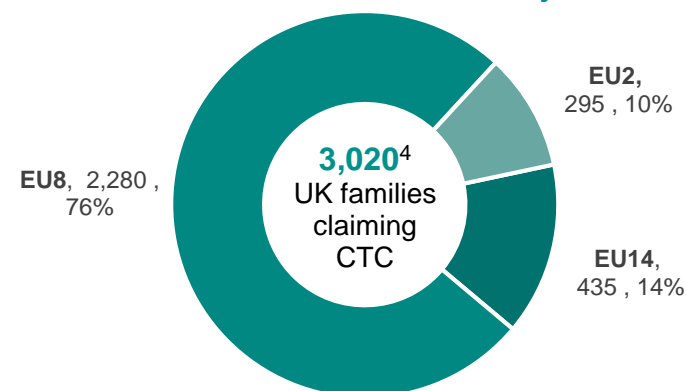
As at February 2019, there were approximately:

- **12,945 UK families** receiving Child Benefit for **19,120 children** residing in a non-UK EEA country. This represents 0.2% of all families in receipt of UK Child Benefit<sup>2</sup>. The estimated annual entitlement for these children is approximately £16.9m.
- **3,020 UK families** in receipt of Child Tax Credit for **5,245 children** residing in a non-UK EEA country. This represents 0.1% of all families in receipt of Child Tax Credit<sup>3</sup>. The estimated annual entitlement for these children is approximately £13.1m.

Estimated number of UK families in receipt of Child Benefit for children who reside in a non-UK EEA country



Estimated number of UK families claiming Child Tax Credit for children who reside in a non-UK EEA country



<sup>1</sup> Throughout this paper references to non-UK EEA countries also includes Switzerland.

<sup>2</sup> 7.3m families as at August 2018

<sup>3</sup> 3m families as at December 2018

<sup>4</sup> The total includes countries categorised as "Other" and represents less than 1% of total.

EU14: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Republic of Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden

EU8: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia

EU2: Bulgaria, Romania

Other: Croatia, Cyprus, Iceland, Liechtenstein, Malta, Norway, Switzerland

# Estimated number of UK families in receipt of Child Benefit or Child Tax Credit in respect of children residing in a non-UK EEA country as at February 2019

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## 1. Introduction

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### 1.1 What do these statistics tell me?

The statistics provide estimates of the number of households that are receiving Child Benefit and Child Tax Credit in respect of children residing in a non-UK EEA country at a snapshot in time (February 2019). They also provide estimates for the full year value of entitlement of Child Benefit and Child Tax Credit for these children.

In this commentary, references to “non-UK EEA countries” includes Switzerland.

### 1.2 Under what circumstances can Child Benefit and Child Tax Credit be paid for children not resident in the UK?

Domestic UK legislation provides that both Child Benefit and Child Tax Credit cannot normally be paid in respect of children resident abroad. However, EEA and Swiss citizens in the UK, and UK citizens in the EEA and Switzerland, have certain rights and obligations under long-standing EU social security co-ordination regulations. Among other things, these regulations allow these citizens to claim UK Child Benefit and Child Tax Credit in respect of children they are responsible for that reside in a non-UK EEA country where UK Child Benefit and Child Tax Credit conditions of entitlement are met.

All elements of Child Tax Credit may be payable in respect of dependent children resident in a non-UK EEA country (i.e. family and disabled child elements). These rules do not apply to Working Tax Credit.

The amounts paid in respect of these children by HMRC is not always equal to the full UK Child Benefit/Child Tax Credit rates payable for that child. This is because under the EU rules, the UK might be one of two countries responsible for the payment of family benefits and is therefore not required to pay the full amount of Child Benefit or Child Tax Credit. This is referred to in this report as the supplemental rate.

## 2. Methodology

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### 2.1 How are these statistics produced?

These statistics have been sourced from the International Group Database (IGDB). This is a 100 per cent combined snapshot dataset of Child Benefit and Child Tax Credit awards and estimates whether a child resident in a non-UK EEA country is being claimed for.

Although we have undertaken measures in these statistics to improve the accuracy of the data contained within the International Group Database (IGDB), these estimates are still subject to some degree of uncertainty. The current system used to calculate and make Child Benefit and Child Tax Credit awards in respect of children resident in non-UK EEA countries is primarily a resource intensive manual paper-based process which can cause a delay between receiving details of a claim or change in circumstances and it being recorded on the IGDB. In addition, although the IGDB captures the cases where supplementary payments are made, it does not record the amounts.

To address both these issues, a twofold approach was taken:

- The IGDB data was matched with HMRC's 100 per cent Child Benefit scan data and sampled tax credits award data to confirm the validity of claims. As the IGDB data is a snapshot in February 2019, the matching process is used to model the annual Child Benefit and Child Tax Credit entitlement for these families.
- To estimate the proportion of full entitlement paid to families receiving supplemental rate, a random sample of Child Benefit and Child Tax Credit supplemental cases were taken from the IGDB. The sampled cases were then manually checked to determine the average proportion of full rate of ChB or CTC being paid. The average proportion is then applied to the maximum entitlement for supplemental cases to estimate the supplemental entitlement. This adds an additional degree of uncertainty to the estimates

### 2.2 What are experimental statistics?

Experimental Statistics are statistics that are within their development phase and are published in order to involve potential users at an early stage in building a high quality set of statistics that meet user needs.

The Experimental Statistics label highlights to users that HMRC are still working on further developing the methodologies used in producing these statistics. We hope that it also encourages users to provide us with their thoughts and suggestions of how useful the statistics are and what can be done to improve them.. Users can send us their thoughts and suggestions via the email address on the cover of this release.

It should be emphasised that the label of Experimental Statistics does not mean that the statistics are of low quality, but it does signify that the statistics are novel and still being developed, and as such estimates could be revised as their estimation methodology is improved.

More information about Experimental Statistics including when they should be used and the differences between Experimental and National Statistics is available from the UK Statistics Authority at the link below.

<https://www.statisticsauthority.gov.uk/gsspolicy/guidance-on-experimental-statistics/>

## Estimated number of UK families in receipt of Child Benefit or Child Tax Credit in respect of children residing in a non-UK EEA country as at February 2019

	Child Benefit			Child Tax Credit		
	Total Families	Total Children	Total Entitlement (£m)	Total Families	Total Children	Total Entitlement (£m)
<b>Total non-UK EEA</b>	<b>12,945</b>	<b>19,120</b>	<b>16.9</b>	<b>3,020</b>	<b>5,245</b>	<b>13.1</b>
<b>EU14 Total</b>	<b>2,450</b>	<b>4,140</b>	<b>3.4</b>	<b>435</b>	<b>925</b>	<b>2.1</b>
Austria	-	10	-	-	-	-
Belgium	30	40	-	-	10	-
Denmark	10	20	-	-	-	-
Finland	15	25	-	-	-	-
France	395	605	0.6	20	45	0.1
Germany	100	165	0.1	10	10	-
Greece	40	55	0.1	-	-	-
Republic of Ireland	1,025	1,945	1.5	260	570	1.2
Italy	110	170	0.2	35	85	0.2
Luxembourg	-	10	-	-	-	-
the Netherlands	100	215	0.2	20	50	0.1
Portugal	170	230	0.2	-	-	-
Spain	425	625	0.6	75	135	0.3
Sweden	20	30	-	-	-	-
<b>EU8 Total</b>	<b>9,450</b>	<b>13,385</b>	<b>12.1</b>	<b>2,280</b>	<b>3,740</b>	<b>9.4</b>
Czech Republic	110	165	0.1	10	35	0.1
Estonia	25	35	-	-	-	-
Hungary	105	150	0.1	50	80	0.2
Latvia	525	700	0.6	165	210	0.5
Lithuania	595	790	0.7	160	240	0.7
Poland	7,685	10,975	9.9	1,820	3,075	7.5
Slovakia	405	575	0.5	75	100	0.3
Slovenia	-	-	-	-	-	-
<b>EU2 Total</b>	<b>930</b>	<b>1,415</b>	<b>1.3</b>	<b>295</b>	<b>570</b>	<b>1.6</b>
Bulgaria	315	415	0.4	25	35	0.1
Romania	615	1,000	0.9	270	535	1.5
<b>Other Total</b>	<b>115</b>	<b>180</b>	<b>0.1</b>	<b>-</b>	<b>10</b>	<b>-</b>
Croatia	30	45	-	-	-	-
Cyprus	35	40	-	-	-	-
Iceland	-	-	-	-	-	-
Liechtenstein	-	-	-	-	-	-
Malta	10	25	-	-	-	-
Norway	20	40	-	-	-	-
Switzerland	15	20	-	-	10	-

Figures are separately rounded which can lead to the components as shown not summing to the total

Figures are subject to statistical rounding and disclosure rules. Figures deemed to pose a risk of disclosure or hold a nil value have been suppressed and replaced with "-".

## Appendix A

£ per year unless otherwise stated	
2018-19	
<b>Child Tax Credit</b>	
Family element <sup>i</sup>	545
Child element <sup>ii</sup>	2,780
Disabled child additional element <sup>iii</sup>	3,275
Severely disabled child element	1,325
<b>Common features</b>	
First income threshold <sup>iv</sup>	6,420
<i>First withdrawal rate</i>	41%
First income threshold for those entitled to Child Tax Credit only <sup>v</sup>	16,105
Income increase disregard <sup>vi</sup>	2,500
Income fall disregard <sup>vi</sup>	2,500
Minimum award payable	26
<b>Child Benefit</b>	
Eldest or only child	20.70 per week
Additional children	13.70 per week
High Income Child Benefit Charge <sup>vii</sup>	50,000

<sup>i</sup> Payable for each child up to 31 August after their 16th birthday, and for each young person for any period in which they are aged under 20 (under 19 to 2005-06) and in full-time non-advanced education, or under 19 and in their first 20 weeks of registration with the Careers service or Connexions.

<sup>ii</sup> Payable in addition to the child element for each disabled child.

<sup>iii</sup> Payable in addition to the disabled child element for each severely disabled child.

<sup>iv</sup> Income is net of pension contributions, and excludes Child Benefit, Housing benefit, Council tax benefit, maintenance and the first £300 of family income other than from work or benefits. The award is reduced by the excess of income over the first threshold, multiplied by the first withdrawal rate.

<sup>v</sup> Those also receiving Income Support, income-based Jobseeker's Allowance or Pension Credit are passported to maximum CTC with no tapering.

<sup>vi</sup> Introduced from 6 April 2012, this drop (or increase) in income is disregarded in the calculation of tax credits award.

<sup>vii</sup> More information on the High Income Child Benefit Charge can be found by following the link below:

<https://www.gov.uk/child-benefit-tax-charge>