

High Income Child Benefit Charge (HICBC) penalty refund

This explains circumstances where we issued cancellations and refunds of 'Failure to Notify' (FTN) penalties for the High Income Child Benefit Charge (HICBC). These refunds were issued for the tax years 2013 to 2014, 2014 to 2015 and 2015 to 2016. Penalties have been cancelled and refunded where families made their claim for Child Benefit before HICBC was introduced, and where one partner's income subsequently increased to over £50,000 in or after the 2013 to 2014 tax year.

For more information read our HICBC penalty cases.

www.gov.uk/government/news/hmrc-to-review-high-income-child-benefit-charge-penalty-cases

Customers will have their penalty refunded or cancelled for the tax years 2013-2014, 2014-2015 and 2015-2016, if:

HICBC FTN Penalty Review refunds:



Customers will not have their penalty refunded or cancelled, as they should have been aware of HICBC, if:

Their income increased to over £50,000 since HICBC was introduced in 2013, and they have not made a new claim to Child Benefit since.



They had income over £50,000, were not in Self Assessment (and not claiming Child Benefit) and started a new relationship with a Child Benefit recipient between 2013 and 2016.

They were already liable to HICBC in 2012-2013, during the high profile media campaign and when HMRC sent targeted letters.



They made a claim for Child Benefit after HICBC was introduced in 2012-2013. There is a clear notification of the charge on Child Benefit forms.



At least one parent/partner has been in Self Assessment since 2012-2013. The Self Assessment return draws attention to the charge.

For more information:

Contact HMRC www.gov.uk/contact-hmrc

Making an appeal www.gov.uk/tax-appeals/penalty

Child Benefit <u>www.gov.uk/child-benefit</u> or read the CH2 notes, 'Child Benefit - getting your claim right'

HICBC and the Child Benefit tax calculator www.gov.uk/child-benefit-tax-charge
Self-Assessment www.gov.uk/self-assessment-tax-returns