



Ending your tax credits award

We're ending your tax credits award because you or your partner either:

- made a claim for Universal Credit/Pension Credit – you cannot claim tax credits and Universal Credit at the same time
- did not make a claim for Universal Credit/Pension Credit by the deadline shown on your Migration Notice letter from DWP/DFC

Your Award Review shows the details we've used to work out your tax credits. We need you to check and confirm these details by the date shown on your [Award Review](#).

Use the following 3 steps:

Step A Check that the personal circumstances we based your claim on at the start of your award period are correct.



Step B Check that any changes made to your claim during your award period are correct. These could be changes you've told us about, or changes we've made. If any changes are missing, or you have not told us about a change, you must tell us now. See pages 3 to 8 of these notes to help you.



Step C Calculate your income and check that this matches what's shown on your Award Review – see pages 9 to 21 of these notes to help you. Then, complete your Award Declaration and send it to us, or call us with the information to make sure we've paid you the right amount of tax credits – how to do this is shown on the back page.

Documents you may need to help you complete your Award Declaration:

P45

Payslips

Your business accounts

Bank statements

P2 – PAYE Coding Notice

P11D – 'Expenses and benefits' (previous year)

Do not send these documents to us.

Even if you're familiar with tax credits, use these notes to help you. The information we need only relates to part of the financial year and may be different to what you're used to checking.

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Checking your personal circumstances and any changes

About you

Single and joint claims

Your Award Review shows if you claimed as a single person or jointly as a couple at the start of your award period.

If you claimed as a single person

i Make sure you've told us if, during your award period you:

- started living with someone as a couple
- got married or entered into a civil partnership

One of the most common reasons people need to pay back money is because they did not tell us they were living with someone. If you're not sure if this applies to you, phone our helpline for advice.

If you made a claim with someone else

If you claimed as a couple, we show both names and you're both responsible for making sure your details are right.

You should have made a joint claim if you were:

- married or in a civil partnership – unless you separated under a court order, or expected your separation to be permanent
- living with someone you were in a relationship with, as if you were married or in a civil partnership, for example you
 - sometimes lived in the same household
 - shared costs and had joint financial arrangements
 - had dependent children, which you jointly cared for in your household

i Make sure you've told us if, during your award period:

- you permanently separated from your partner
- your partner died

Where you live

Your Award Review shows the country you lived in most of the time during the award period. If your main home was in England, Scotland, Wales or Northern Ireland (but not the Channel Islands or the Isle of Man) we show you as living in the UK.

i Make sure you've told us if, during your award period, you or your partner:

- left the UK permanently
- went abroad for more than 8 weeks (or more than 12 weeks if you went abroad because you were ill, or because a member of your family was ill or died)
- lost the right to reside in the UK

 For more information, go to [GOV.UK](https://www.gov.uk) and search for WTC/FS6.

Disability – adults

If you had a disability and received the disability element or severe disability element of Working Tax Credit, it'll be shown on your Award Review.

To get the disability element of Working Tax Credit, you must have met all 3 qualifying conditions.

Condition 1 – you usually worked 16 hours or more each week.

Condition 2 – you had a disability which put you at a disadvantage in getting a job.

Condition 3 – you received, or had received, a qualifying sickness or disability-related benefit.

Make sure you've told us if you or your partner started or stopped being paid a qualifying disability related benefit which allowed you to claim the disability, or severe disability element of tax credits.

 For more information go to [GOV.UK](https://www.gov.uk) and search for TC956.

Your work, benefits and employment

Your Award Review shows the country you worked in most of the time and the total number of paid hours a week you usually worked. Work includes both employment and self-employment. It'll also show if you received:

- Income Support
- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance
- Pension Credit

Make sure you've told us if, during your award period, you or your partner:

- got Working Tax Credit and your maternity leave lasted longer than 39 weeks
- stopped working or were laid off
- have changed your usual working hours so that either of you worked less than
 - 16 hours a week
 - 24 hours a week
 - 30 hours a week(for couples with children, one of you must work at least 16 hours – you need to add your working hours together so that you can decide if you work less than 24 or 30 hours)
- received the disability element of Working Tax Credit and you started working less than 16 hours a week
- were involved in strike action for more than 10 days in a row
- did not return to work after
 - paternity leave
 - adoption/additional adoption leave
 - shared parental leave
 - illness or incapacity for work
 - strike periods
 - suspension during investigation
- started or stopped getting Income Support, income-based Jobseeker's Allowance, income-related Employment and Support Allowance, or Pension Credit
- stopped being incapacitated, an inpatient in hospital, in prison or custody awaiting trial or sentencing
- were entitled to Carer's Allowance or Carer Support Payment

 For more information, go to [GOV.UK](https://www.gov.uk) and search for WTC2.

About your children and young people

You can no longer get the child element of Child Tax Credit for a third or later child born after 6 April 2017, unless one of the exceptions applies – for more information, go to www.gov.uk/hmrc/ctc-exceptions

The disability element of Child Tax Credit and the childcare element of Working Tax Credit will be paid for all eligible children, even if we do not pay the individual child element for that child.

Always report the birth of a child and any changes involving your children or young people as you may be able to get more money.

Your Award Review shows any:

- children you were responsible for up until their 16th birthday
- young people you were responsible for aged between 16 and 20 years old, who met the conditions below

Qualifying conditions for young people

The young person must have been enrolled, accepted or started full-time non-advanced education or approved training, before age 19.

Full-time non-advanced education

We treat the young person as being in full-time non-advanced education if they were:

- at school or college (not university) doing subjects up to and including A level, NVQ level 3, Scottish Highers or Scottish Advanced Highers (not a Higher National Certificate or a degree), and in lessons for an average of more than 12 hours a week in term time
- on a Study Programme (in England only)

A young person still counts as being in full-time non-advanced education if they had:

- a 'reasonable' interruption to their education for a period of up to 6 months, for example, due to illness or moving house
- a period of illness or disability and they intended to return to study as soon as they recovered
- just finished a course and were registered to start another course next term

The education cannot be provided by an employer. If you're not sure if a young person was in full-time non-advanced education, phone our helpline.

Approved training

We treat the following UK schemes as approved training in:

- England – see full-time non-advanced education above
- Scotland – No One Left Behind
- Wales – Foundation Apprenticeships, Traineeships or the Jobs Growth Wales+ scheme
- Northern Ireland – Training for success or Skills for Life and Work

If the qualifying young person was aged 16 or 17, and had left full-time non-advanced education or approved training, you may be able to get Child Tax Credit for them for up to 20 weeks after they left. To qualify for these extra weeks, they need to have registered with:

- a careers service, Connexions, local authority support service or similar organisation (in Northern Ireland, the Department for Communities or the Education Authority)
- the Ministry of Defence, if they're waiting to join the armed forces
- any corresponding body in an EEA member state or Switzerland

To get these extra weeks you must claim within 3 months of your child leaving education or training.

i Make sure you've told us if, during your award period:

- the number of qualifying children or young people you were responsible for changed, for example, they
 - increased because a child or young person joined your family or were placed with your family for adoption, or a baby was born
 - reduced because a child or young person left your family – for example, they were taken into care, fostered or adopted by another family, or were detained for more than 4 months after being found guilty by a court and sentenced to custody, or they died
- there were any changes affecting a qualifying young person's full-time non-advanced education or approved training, for example, a young person
 - who you got Child Tax Credit for, left full-time non-advanced education or approved training before they reached age 20, or they stopped being registered with a careers service, Connexions Service, or equivalent
 - who you told us was expected to continue in full-time non-advanced education or approved training after 31 August following the date they turned age 16, did not then do so
 - returned to full-time non-advanced education or approved training and either started, enrolled, or were accepted onto the course before they reached age 19
- a qualifying young person started paid employment or received benefits, for example, they
 - started to get Income Support, income-based Jobseeker's Allowance, Employment and Support Allowance or Universal Credit themselves
 - started to have their training provided under a contract of employment
 - registered with a qualifying careers service after leaving full-time non-advanced education or approved training and were in paid work for 24 hours or more a week

The child element for a young person aged 16, 18 or 19 automatically stops each year, unless you told us that they were continuing in full-time non-advanced education or approved training.

Disability – children and young people

You may have received extra Child Tax Credit because your child had a disability. We call this extra amount the child disability element. You may have been entitled to this (even if you did not get the child element for that child), if:

- you got Disability Living Allowance (DLA) or Child Disability Payment (CDP) in Scotland for your child
- you got Personal Independence Payment (PIP) or Adult Disability Payment (ADP) in Scotland for your child
- the child or young person, was certified as severely sight-impaired, or blind, by a consultant ophthalmologist or ceased to be certified as severely sight-impaired, or blind, by a consultant ophthalmologist in the 28 weeks before the date of your claim or renewal

We may have paid the severe disability element of tax credits (even if you did not get the child element for that child), if you got:


- the highest rate care component of DLA/CDP for your child
- the enhanced daily living component of PIP/ADP for your child
- Armed Forces Independence Payment for your child

i Make sure you've told us if, during your award period, you started or stopped getting:

- DLA/CDP or the highest rate care component of DLA/CDP for your child
- PIP/ADP or the enhanced daily living component of PIP/ADP for your child
- Armed Forces Independence Payment for your child


You should also have told us if the child or young person (even if you did not get the child element for that child), was:

- certified as severely sight-impaired, or blind, by a consultant ophthalmologist in the 28 weeks before the date of your claim or renewal
- no longer certified as severely sight-impaired, or blind, by a consultant ophthalmologist

 For more information go to GOV.UK and search for WTC2.

Childcare costs


Your Award Review shows the average weekly childcare costs you told us you expected to pay. It'll also show any childcare changes you told us about or we made. You need to check if the childcare costs shown are correct and tell us now if they're not.

 You can use the online calculator, go to www.gov.uk/childcare-costs-for-tax-credits

We'll only pay childcare costs up to the date your tax credits award ends.

i Make sure you've told us if, during your award period:

- your childcare provider stopped being registered or approved
- you started using a childcare provider who was not registered or approved
- you started using a relative to look after your child, in the child's home
- you started paying for registered and approved childcare
- your average weekly childcare costs went up or down by £10 or more, or stopped
- your child stopped going to childcare for 4 weeks or more, when they would normally have gone
- your child reached age 15 (or 16 if they were disabled)
- you started getting other help towards your childcare costs, for example childcare vouchers

 For more information about childcare costs or to check if your childcare provider qualifies, go to GOV.UK and search for WTC5.

Your income

Your Award Review may show an income figure which your employers or occupational pension providers have provided to HM Revenue and Customs (HMRC). The figure on your Award Review will be the total income they provided for this period.

If you have more than one employer or occupational pension provider, the total income from all of them will be shown. If you're claiming as a couple and both working, your individual incomes will be shown separately.

Although we've been told about this income, this is shown as a guide only. We still need you to work out and tell us your joint income details for the award period shown on your Award Review.

Income you need to tell us about includes:

- earnings from employment – you and your partner's total earned income
- occupational pensions – the total of any pensions you and your partner receive from a previous or continuing employment
- some benefits in kind – you and your partner's total benefits in kind from an employment
- profits from self-employment – you and your partner's total profit from self-employment
- some taxable social security benefits – you and your partner's total taxable social security benefits
- any other income – you and your partner's total other income

There may be deductions you can make from your total income figure.



For a list of deductions you can make, go to www.gov.uk/guidance/tax-credits-working-out-income

Making your declaration

Even if you're familiar with tax credits, use the notes in this booklet to help you, as the information we need only relates to part of the financial year and may be different to what you're used to checking.

Once you've checked the information on your Award Review is correct and complete, you need to make your Award Declaration on form TC603UD. Use this guidance to help you make your declaration correctly.

If you make your declaration on form TC603UD and return it by post, you and your partner must:

- make sure you fill in the correct columns
- check that the information you provide is correct
- sign and date the declaration on page 3

It's important you get this right because you're both responsible for all the information on this form.

If you act as an appointee for a couple, you only need to sign the declaration once.

Entering your income details

Part 1 – Certain benefits

Box 1.1 on your Award Declaration

Only put 'X' in the box if you got one of the benefits listed on your Award Declaration for the whole of the award period.

Do not put 'X' if during any of the award period you:

- started work and received a 'run on payment' of one of the benefits listed on your Award Declaration
- only got contribution-based Jobseeker's Allowance or contribution-based Employment and Support Allowance

Part 2 – Taxable social security benefits

Box 2.1 on your Award Declaration

If you've received any of the taxable benefits listed below, you need to add the amounts you got together and enter the total in box 2.1.

These benefits are:

- Bereavement Allowance (but not Bereavement Support Payment)
- contribution-based Employment and Support Allowance
- Carer's Allowance or Carer Support Payment (if you live in Scotland do not include the Carer's Allowance Supplement)
- contribution-based Jobseeker's Allowance
- Incapacity Benefit (but do not include if you started claiming this before 1995)
- taxable Income Support (this only applies if you were a couple, and the person getting Income Support was on strike)

Do not include any tax credits, Child Benefit, Pension Credits, income-based Jobseeker's Allowance, Council Tax Reduction (sometimes called Council Tax Support), Universal Credit, Housing Benefit, Housing Benefit Rate Relief (in Northern Ireland), income-related Employment and Support Allowance or non-taxable Income Support.

Part 2 – Income details

Box 2.2 on your Award Declaration – Earnings as an employee from all jobs

Enter the total of your earnings from all jobs in the award period. Use your P45 or payslips given to you by your employer to help calculate your earnings for the award period. If benefits in kind have been included in your earned income, see box 2.3.

How to work out your income for your award period

You need to tell us your total income for the award period shown on your Award Review.

You can use your last payslip before the date your award period ended. For example, if your award period ended on 5 October and you're paid monthly, you should use your September payslip. If you're paid weekly use your last payslip showing pay received on or before 5 October. Use the 'Total pay to date' figure on this payslip.

If you have a P45 because you stopped working during the award period, use the 'Total pay to date' figure.

Deductions

Your employer may not have told us about deductions that are processed through your payroll. These include:

- pension contributions you make to a registered scheme paid out of your net income including any tax relief due, do not deduct contributions paid out of your gross income
- the actual amount paid, up to £100 for each weekly payment of any Statutory Maternity, Paternity, Shared Parental, Parental Bereavement and Adoption Pay
- work expenses which have not been paid back to you by your employer

You can only deduct actual payments you've made or received for the award period shown on your Award Review.

Box 2.3 on your Award Declaration – Company car and fuel, taxable vouchers and benefits in kind from all jobs

Payrolled benefits in kind

Step B of your Award Review may show payrolled benefits in kind you received for the award period. These could be where your employer has provided you with non-cash benefits, for example a mobile phone or company car in addition to your normal wages. Your employer may have included these benefits in kind in the earned income figure on your payslips.

If this is the case:


- deduct the amount of all payrolled benefits in kind from the total pay to date figure shown on your payslip
- enter the remaining earned income figure at the top of Working Sheet 1 and follow the stages to calculate the income figure to enter in box 2.2

Non-payrolled benefits in kind

You need to include certain benefits in kind that you have not received through your payroll, for example a mobile phone or company car.

You may be able to find details of relevant benefits in kind by referring to information that your employer has provided, for example payslips or in your terms and conditions of employment, your previous year P11D (where your benefits in kind have remained the same) or any P2 coding notices you've received.

Use Working Sheet 2 on Pages 16 and 17 to work out the benefits in kind you've received and need to show in box 2.3.

 For company cars and fuel, go to www.gov.uk/calculate-tax-on-company-cars and use the HMRC calculator, or phone our helpline.

Box 2.4 on your Award Declaration – Income from self-employment

You need to work out your taxable profit for your tax credits award period and include this in box 2.4 on your Award Declaration.

To work out your taxable profit:

1. Take your realistic and reasonable estimate or actual taxable profit for your basis period ending in the tax year your tax credits award ended. Do not include any transition profits in the calculation
2. Divide this by the number of days in your basis period.
3. Multiply that figure by the number of days in your tax credits award period shown on your Award Review.

This figure cannot be changed after the 'Reply before' date shown on page 1 of your Award Review so use the following steps and Working Sheet 3 on pages 18 and 19 to help you work this out.

For information about transition profits, go to www.gov.uk/guidance/changes-to-reporting-income-from-self-employment-and-partnerships


Step 1 – Work out your estimated or actual taxable profit for your basis period


If your accounts have not yet been prepared for your basis period ending in the tax year when your tax credits award ended, you'll need to make a realistic and reasonable estimate of your taxable profit for the tax year. You can base this estimate on your accounts for the year so far and previous years, your business plan and any seasonal variation or future work you expect.

You should keep notes to show how you made this estimate as we may need to check this with you.

If your accounts have already been prepared because your basis period ended in this tax year, you'll already know your actual taxable profit.

If you made a loss or you believe that you'll make a loss for this basis period then enter '0' in box 2.4 on your Award Declaration. You can also deduct losses from other income that you or your partner have for the tax credits award period (see page 12).

 For more help on 'How to calculate your taxable profits', go to GOV.UK and search for HS222.

 Once you know your profit for the basis period, you can use the online calculator to work out your profit for the award period, go to www.gov.uk/part-year-profit-tax-credits

Step 2 – Work out the number of days in your basis period

For a full tax year this will be 365 (or 366 for a leap year).

If you've recently started or ceased trading, or if you've recently changed your accounting dates, then your basis period may be shorter or longer than a year. If so, you can ask your financial advisor, or a charitable advisory service to help you, or phone our helpline.

Step 3 – Work out your daily rate

Divide your actual or estimated taxable profit by the total number of days in your basis period to get a daily rate.

Step 4 – Calculate your taxable profit for your tax credits award period

Multiply your daily rate by the number of days in the tax credits award period shown on your Award Review, when you carried on your trade, profession or vocation.

This is your taxable profit for your tax credits award period. Enter this figure in box 2.4 on your Award Declaration

If you have more than one business then you should go through these steps for each of your businesses and put the total profit from all your businesses in box 2.4.

Part 2 – Total other income

Box 2.5 on your Award Declaration

If you have any other income, for example, all dividends income, interest on savings (but not from Help to Save), some rental income, State Pension or occupational pension, you need to work out how much you received for the award period shown on your Award Review.

Use your records, for example bank statements to help you work out the amount you need to tell us. Enter the gross amount (before tax is taken off), minus £300. If this leaves you with a minus figure, just enter '0'.

When completing box 2.5, do not include any:

- maintenance payments
- student grants, bursaries or loans

You can use Working Sheet 4 on pages 20 and 21 to help you.

Household deductions

You can make deductions from your total household income for any payments you or your partner have made during your award period for:

- contributions to a registered personal pension scheme
- donations to charity by Gift Aid
- contributions to a retirement annuity contract
- trading losses sustained for the part year award period

Gift Aid donations, personal pension contributions and retirement annuity contributions

You can deduct the gross amount of any payments you've made in Gift Aid donations, personal pension or retirement annuity contributions.

Retirement annuity contributions are paid as gross amounts. As Gift Aid donations and retirement pension contributions are paid after tax, you'll need to work out their gross amounts. You do this by multiplying the total amounts of Gift Aid donations and/or personal pension contributions you've paid, during your award period, by 100 and then dividing by 80.

Example – if you are a 20% taxpayer

In-year tax credit award period is 6 April 2020 to 1 October 2020.

Gift Aid and/or personal pension payment made on 1 August 2020.

Total amount of Gift Aid and/or personal pension contributions made during your award period = £370. £370 multiplied by 100 and then divided by 80 = £462.50

Deduct the total gross amount from the boxes in the order in which they appear on your Award Declaration.

Trading losses

If you're self-employed and have made a trading loss, you can deduct this from:

- any other income you may have for that year
- a joint claim, any other income which you and your partner have for that year

Unrelieved trading losses carried forward from previous years must be deducted from your self-employed profits.

Example


In-year tax credit award period is 6 April 2020 to 1 October 2020 (179 days).

Actual or estimated profit for basis period is £12,570.

Actual or estimated profit for in-year tax credit award period is (£12,570 divided by 365 and then multiplied by 179) = £6,164.

Unrelieved trading losses from earlier years are £5,000.


New actual or estimated profit for in-year tax credit award period to be declared is (£6,164 - £5,000 =) £1,164


 Losses from previous years cannot be deducted from other household income.

Use TC825 – 'Working Sheet for tax credits relief for Gift Aid donations, pension contributions and trading losses'. Follow Steps 2 and 3 to work out the total of your losses.

If the total amount is:

- less than your total income, deduct the amount from the boxes in the order in which they appear on your Award Declaration
- equal to or more than your total income, enter '0' in every box in Part 2 of your Award Declaration

 If you need help with working out your reliefs or losses, phone our helpline.

 For more information, go to [GOV.UK](https://www.gov.uk) and search for TC825.

Use these sheets to help you work out your income.

Do not send to us – keep for your records.

Working Sheet 1: Working out your earnings as an employee from all jobs for the award period shown on your Award Review (box 2.2 on your Award Declaration)

If you worked outside of the UK, you should still show your earnings in British pounds.

Your earnings

Total pay from all your employed work, including any tips and gratuities, Statutory Sick Pay and Statutory Maternity, Paternity, Adoption, Parental Bereavement and Shared Parental Pay.

Enter the taxable amount (before tax and National Insurance are taken off). Use your P45 or payslips provided by your employer to help calculate your earnings for the award period.

If your income includes payrolled benefits in kind, deduct this figure from your total pay to date before entering an amount in the box.

You	£	Your Partner	£
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Taxable gains from security or share options you got because of your job. Include actual payments received during the award period, for example, company shares or bonds.

You	£	Your Partner	£
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Strike pay from your trade union received during the award period.

You	£	Your Partner	£
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Payment for work you did in prison or on remand received during the award period.

You	£	Your Partner	£
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Total earnings

You	£	Your Partner	£
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Use these sheets to help you work out your income.

Do not send to us – keep for your records.

Working Sheet 1: Working out your earnings as an employee from all jobs for the award period shown on your Award Review (box 2.2 on your Award Declaration) continued

Your deductions

Work-related expenses you've paid out and that your employer has not paid back to you during the award period. These are expenses you had to pay out in doing your job and which related only to doing your job. Do not include expenses you've incurred for the costs of travelling between your home and your usual workplace.

You	£	Your Partner	£
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Tax-deductible payments you've made and have not been paid back during your award period. For example, fees to professional bodies, agency fees, indemnity insurance and allowable union subscriptions/fees. For more guidance go to GOV.UK and search for 'Professional bodies approved for tax relief (list 3)'.

You	£	Your Partner	£
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Flat-rate expenses agreed by your employer or representative organisation and HMRC, to maintain or renew tools or special clothes you need for your job. You need to work out how much of your annual flat-rate expenses relate to this award period.

You	£	Your Partner	£
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Free Standing Additional Voluntary Contributions, payments to stakeholder pensions or pension contributions to a registered scheme paid out of your net income made during your award period. Enter the gross amount – go to GOV.UK and search for TC825. Do not include anything you paid into an occupational pension scheme paid out of your gross income.

You	£	Your Partner	£
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Statutory Maternity, Paternity, Shared Parental, Parental Bereavement and Adoption Pay you've received during your award period. If your payments were more than £100 a week, enter £100 in the box for each week. For example, if you got them for 30 weeks, enter £3,000. If your payments were less than £100 a week, enter the amount you received. For example, if you got £80 for 30 weeks, enter £2,400. Do not include Maternity Allowance.

You	£	Your Partner	£
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Total deductions

You	£	Your Partner	£
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Take away your total deductions from your total earnings. Enter this amount in box 2.2. Do not include pence. Round down to the nearest pound.

You	£	Your Partner	£
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Use these sheets to help you work out your income.

Do not send to us – keep for your records.

Working Sheet 2: Company car and fuel, taxable vouchers and payments in kind from all jobs for the award period shown on your Award Review (box 2.3 on your Award Declaration)

Provide the amounts of the relevant benefits in kind you've received in the award period and enter them in the boxes below. If you or your partner have had more than one employer add the figures together. You may be able to find details of relevant benefits by referring to information that your employer has provided, for example payslips or in your terms and conditions of employment, your previous year P11D (where your benefits in kind have remained the same) or any P2 coding notices you've received.

Goods and assets your employer gave you (for example, cars and property).

You	£	Your Partner	£
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Payments made by your employer on your behalf (for example, payment of rent or utility bills).

You	£	Your Partner	£
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Cash or non-cash vouchers and credit tokens (for example, a company credit card used to purchase items for personal use). Do not include the cash equivalent of childcare vouchers if they're used to pay for registered or approved childcare.

You	£	Your Partner	£
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Mileage allowance. Include payments for using your own car – enter the taxable amount shown on P11D section E. Also include running costs and passenger payments your employer has paid for – shown on P11D section E or included in section N. If your mileage costs are not paid by your employer, or they only pay some of it, phone our helpline for more advice.

You	£	Your Partner	£
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Use these sheets to help you work out your income.

Do not send to us – keep for your records.

Working Sheet 2: Company car and fuel, taxable vouchers and payments in kind from all jobs for the award period shown on your Award Review (box 2.3 on your Award Declaration) continued

Company car. Go to www.gov.uk/calculate-tax-on-company-cars and use the HMRC calculator, or phone our helpline.

You	£ <input type="text"/>	Your Partner	£ <input type="text"/>
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Company car fuel benefit. Go to www.gov.uk/calculate-tax-on-company-cars and use the HMRC calculator, or phone our helpline.

You	£ <input type="text"/>	Your Partner	£ <input type="text"/>
------------	------------------------	---------------------	------------------------

Expenses payments paid to you or on your behalf. You might be able to reduce this amount by claiming a deduction of expenses allowed for certain Income Tax purposes. Phone our helpline for more advice.

You	£ <input type="text"/>	Your Partner	£ <input type="text"/>
------------	------------------------	---------------------	------------------------

Total – Enter this amount in box 2.3. Do not include pence. Round down to the nearest pound.

You	£ <input type="text"/>	Your Partner	£ <input type="text"/>
------------	------------------------	---------------------	------------------------

Use these sheets to help you work out your income.

Do not send to us – keep for your records.

Working Sheet 3: Income from self-employment for the award period shown on your Award Review (box 2.4 on your Award Declaration)

Work out your taxable profit or loss for your basis period. This may be a realistic and reasonable estimate if your accounts have not yet been prepared or an actual figure. See page 11.

1	You	£ <input type="text"/>	Your Partner	£ <input type="text"/>
----------	------------	------------------------	---------------------	------------------------

Work out the number of days in your basis period, for example 365 (or 366 for a leap year).

2	You	<input type="text"/>	Your Partner	<input type="text"/>
----------	------------	----------------------	---------------------	----------------------

Divide your taxable profit (box 1) by the number of days in your basis period (box 2). This will give you a daily rate.

3	You	£ <input type="text"/>	Your Partner	£ <input type="text"/>
----------	------------	------------------------	---------------------	------------------------

Work out the number of days in the award period when you were carrying on your trade, profession or vocation.

4	You	<input type="text"/>	Your Partner	<input type="text"/>
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Multiply your daily rate (box 3) by the number of days in your award period when you were carrying on your trade, profession or vocation (box 4).

5	You	£ <input type="text"/>	Your Partner	£ <input type="text"/>
----------	------------	------------------------	---------------------	------------------------

Enter this amount (box 5) in box 2.4 on your Award Declaration. Do not include pence. Round down to the nearest pound.

If you made a loss (or believe that you'll make a loss) for this basis period then enter '0' in box 2.4 on your Award Declaration.

If you have more than one business then you should go through these steps for each of your businesses and put the total profit from all your businesses in box 2.4 on your Award Declaration.

Use these sheets to help you work out your income.

Do not send to us – keep for your records.

Working Sheet 3: Income from self-employment for the award period shown on your Award Review (box 2.4 on your Award Declaration) continued

Example

Self-employed plumber, Barry claims Universal Credit on 1 December 2018. So, he needs to complete his Award Declaration by entering his taxable profit for the period 6 April 2018 to 30 November 2018. Barry works out his estimated taxable profit for his basis period to be £22,000.

1	You	£22,000	Your Partner	£
---	-----	---------	--------------	---

His basis period runs from 6 April 2018 to 5 April 2019 (the same as the tax year) which is 365 days.

2	You	365	Your Partner	
---	-----	-----	--------------	--

He divides his estimated taxable profit of £22,000 by 365 days to get a daily rate of £60.27.

3	You	£60.27	Your Partner	
---	-----	--------	--------------	--

The number of days in Barry's award period when he was carrying on his trade is 239 days.

4	You	239	Your Partner	
---	-----	-----	--------------	--

He multiplies the number of days in the award period when he was carrying on his trade (239) by the daily rate (£60.27) to work out the taxable profit for the award period (£14,404 not including pence).

Barry enters £14,404 in box 2.4 on the Award Declaration.

5	You	£14,404	Your Partner	£
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Use these sheets to help you work out your income.

Do not send to us – keep for your records.

Working Sheet 4: Other income received for the award period shown on your Award Review (box 2.5 on your Award Declaration)

Income from savings (but not from Help to Save) and investments, including dividends that you've received for the award period. Enter the gross amount, but do not include tax exempt savings like ISAs. Include the full amount of any 'chargeable event gain' from a life insurance policy.

You	£	Your Partner	£
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State Pensions you've received in the award period. Do not include the Christmas Bonus and Winter Fuel Payments.

You	£	Your Partner	£
------------	---	---------------------	---

Other UK pensions you're getting including occupational pensions or annuities (but not tax exempt war pensions). Only include amounts you've received in the award period. Phone our helpline if your pension includes an extra amount for work-related illness or injury.

You	£	Your Partner	£
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Property income.

Include all taxable property income you've received for the award period.

Do not include income that is exempt from tax under the Rent a Room scheme.

If your rental property made a loss, there's a working sheet available online to work out your trading losses. Go to GOV.UK and search for TC825.

You	£	Your Partner	£
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Income from trusts, settlements and estates you've received for the award period.

You	£	Your Partner	£
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Foreign income you've received for the award period.

For example, from investments and property overseas. Enter the gross amount in British pounds whether or not it was remitted to the UK. If you get a foreign pension include it here.

Deduct any bank charge or commission you paid when converting foreign currency.

You	£	Your Partner	£
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Use these sheets to help you work out your income.

Do not send to us – keep for your records.

Working Sheet 4: Other income received for the award period shown on your Award Review (box 2.5 on your Award Declaration) continued

Notional income you've received for the award period.

This includes things like stock dividends, or income that you could have received but chose not to. Phone our helpline if you need more information about this.

You	£		Your Partner	£	
------------	---	--	---------------------	---	--

Total

You	£		Your Partner	£	
------------	---	--	---------------------	---	--

Add the totals together for you and your partner

£	
---	--

Take off £300 (if this makes it a minus figure, just enter 0)

£	
---	--

Total other income

Enter this amount in box 2.5. Do not include pence.

Round down to the nearest pound.

£	
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Make your Award Declaration

By phone:


- 0345 300 3900
- Relay UK (if you cannot hear or speak on the phone) 18001 0345 300 3900

By post:

Your Award Declaration is read by machine, so it's important that you:

- use black ink
- write inside the boxes, using one box for each letter or number
- leave any boxes that do not apply to you blank – do not write 'not applicable' or strike through them
- put a line through your entry if you make a mistake, and write the correct information underneath the box
- read all of the questions carefully

Send the form back in the envelope provided. It'll need a stamp. Make sure you pay the correct postage. Do not send anything with it, unless we've asked you to do so.

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

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

More information


We regularly check tax credits awards to make sure you're getting the right amount and to prevent fraud, so make sure you provide the right information. We may adjust your award if we discover you've been paid too much or too little. We'll contact you if we need to do this.

Tax credits overpayments


If we've paid you too much tax credits, we'll send details of the amount you owe to either the Department for Work and Pensions (DWP) or the Department for Communities (DfC) – if you live in Northern Ireland. The DWP or DfC will be responsible for collecting it.

How we use your information

HM Revenue and Customs is a Data Controller under the Data Protection Act 2018 and the General Data Protection Regulation.

 For details about how we use the information we hold about you, go to www.gov.uk/government/publications/data-protection-act-dpa-information-hm-revenue-and-customs-hold-about-you

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

