

## Tax-free childcare

### What is the scheme?

Tax-Free Childcare is a new scheme which gives eligible families up to £2,000 free per child towards childcare costs.

You may be able to open a new online childcare account via [www.childcarechoices.gov.uk](http://www.childcarechoices.gov.uk) which for every £8 you pay into, the Government will pay in an extra £2 (up to £2,000), so it effectively gives you basic-rate tax back on what you pay, hence the scheme's name.

### Am I entitled?

To qualify, parents must be working and each earning at least £120 a week. Tax-free childcare can't be used at the same time as childcare vouchers, Universal Credit or tax credits. However, 30 hours free childcare can be received alongside this.

You're usually eligible if your child is under 12 (17 if disabled) and all of the following apply to you (and/or partner):

- are 16 or over
- are over 21 and earn on average at least £120 a week, unless in your first year of self-employment
- earn less than £100,000 a year each
- don't get other support with your childcare, including from a childcare voucher or salary sacrifice scheme

### How to apply

You can apply for tax-free childcare at [www.childcarechoices.gov.uk](http://www.childcarechoices.gov.uk). You will need to provide your email address and your child's date of birth.

### Is tax-free childcare right for me?

If you are unsure whether tax-free childcare or childcare vouchers is best for you, [www.giveyourselfachoice.com](http://www.giveyourselfachoice.com) have a free calculator to help you make an informed decision.

### How to pay your fees at Little Fingers Pre-school with tax-free childcare

#### 1. Apply online

- Apply for tax-free childcare at [www.childcarechoices.gov.uk](http://www.childcarechoices.gov.uk)

#### 2. Set up your account

- Set up your account.
- You will receive an account reference number of 4 letters and 5 numbers, followed by 'TFC'. The letters are made up of the first initial and the first 3 letters of the surname of your child. For example, JGRE12345TFC
- When you receive this account reference, please email it to [adminoffice.lfpreschool@btinternet.com](mailto:adminoffice.lfpreschool@btinternet.com)
- Include your name and your child's name

#### 3. Credit your account and pay fees

- When you pay into this account you will be asked to choose a childcare setting to receive payments from you. You can search for Little Fingers Pre-school by name, address or the postcode
- Arrange payments. You can use your Childcare Account to make regular or one-off payments direct to Little Fingers Pre-school. You must authorise the payment to be transferred to your chosen childcare provider, once the tax relief has been applied.
- When you have made the online payment, this will be received by us along with the 13 character reference code. As long as you have sent this code to us in advance, we will be able to match the payment up to your Little Fingers Pre-school account.
- The payment should take around 5 working days to credit your Little Fingers Pre-school account.