

HMRC can help with childcare costs as children head back to school

Families may be eligible for Tax-Free Childcare to help pay for breakfast and after school clubs as children go back to school.

Eligible families can save money on their childcare and benefit from a government top-up worth up to £2,000 every year, or up to £4,000 a year if a child is disabled. In June 2021, about 308,000 families across the UK benefited from using Tax-Free Childcare, but thousands are missing out on this opportunity.

Tax-Free Childcare is available to parents or carers who have children aged up to 11, or 17 if their child is disabled. For every £8 a parent or carer deposits into their account, they will receive a £2 top-up, up to the value of £500 every three months, or £1,000 if their child is disabled.

HMRC recognises that families' personal circumstances have changed since March 2020 as more parents and carers are preparing to return to their workplaces. The 20% top-up is paid into the Tax-Free Childcare account and is ready to use almost instantly, meaning parents and carers can use the money towards the cost of childminders, breakfast and after school clubs, and approved play schemes.

Myrtle Lloyd, HMRC's Director General for Customer Services, said:

As your children head back to school this autumn, don't miss out on the opportunity to receive your 20% top-up to help pay for their childcare.

It is quick and easy to sign up, just search 'tax-free childcare' on GOV.UK.

Tax-Free Childcare is also available for pre-school aged children attending nurseries, childminders or other accredited childcare providers. Parents and carers, who are returning to work after parental leave, can apply for a Tax-Free Childcare account for that child before they need to start using it. Families can start depositing money 31 days before they return to work, maximising the potential government top-up saving.

Childcare providers can also sign up for a [childcare provider account](#) via GOV.UK to receive payments from parents and carers via the scheme.

Each eligible child requires their own Tax-Free Childcare account. If families have more than one eligible child, they will need to register an account for each child. The 20% government top-up is then applied to deposits made for each child, not household.

Account holders must confirm their details are up to date every 3 months to continue receiving the government top-up.