

AMINA MUSLIM WOMEN'S RESOURCE CENTRE

Information Fact Sheet

Benefit money and community support for families Fact Sheet 5.

Child Tax credits

Child Tax Credit is paid to help people with the costs of bringing up a child.

Only one household can get Child Tax Credit for each child.

You don't need to be working to claim Child Tax Credit.

Child Tax credit does not include any help with the costs of childcare. If you are already getting tax credits and you are working on a low income, you may be entitled to [Working Tax Credit](#) and this benefit can include [help with childcare costs](#).

You can't claim tax credits and [Universal Credit](#) at the same time. Child Tax Credit is being replaced by Universal Credit. Please go to '[Can I get Child Tax Credit?](#)' for information on who can still claim.

Applies to: England, Wales, Scotland and Northern Ireland

Age rules: You can get Child Tax Credit if you are 16 or over.

If you are under 16 your parents, or someone who is responsible for you, could include you and your child in their own claim.

Type of benefit: **Means tested**

Can I get Child Tax Credit?

Child Tax Credit and Universal Credit

Child Tax Credit is being replaced by Universal Credit. You will only be able to get Child Tax Credit in the situations listed below. Otherwise you won't be able to make a new claim for Child Tax Credit. If you want extra money to help with the costs of raising children, you will have to get it through **Universal Credit**.

You can find out whether you can make a claim for Child Tax Credit by using our **Benefits Calculator** or by **seeking advice**.

If you are on Child Tax Credit and your situation stays the same, you won't have to claim Universal Credit at present. The government started transferring a small number of people over to Universal Credit in July 2019 and it aims to complete this process by December 2024.

Who can get Child Tax Credit?

You can get Child Tax Credit if you are on Tax Credits (Working Tax Credit or Child Tax Credit) at present, unless you claim Universal Credit.

In addition:

- You are 16 or over, and
- You are responsible for at least one child.

The child must be:

- under 16, or
- aged between 16 and 20 and in **relevant education or approved training**.

You can find out more about what you need to do when your child turns 16 on the **[Child Tax Credit when your child reaches 16 page of the Gov.UK website](#)**.

If you have a child aged between 16 and 19 included in your Child Tax Credit claim, make sure that you tell HM Revenue and Customs (HMRC) each year by 31 August whether they are still in **relevant education or approved training**. If you don't, the child will be removed from your claim and your award will be reduced or stopped.

What happens to my Child Tax Credit if I start a new relationship?

If you claimed tax credits as a single person and you later have a partner who joins your household, you will have to close down your single claim for tax credits. If you still want to get money to help with the

cost of raising children you will have to get it through Universal Credit.

What happens to my Child Tax Credit if I separate from my partner?

If you made a joint claim for tax credits as a couple and you later separate, you will have to close down your joint claim for tax credits. If you still want to get money to help with the cost of raising children, you will have to get it through Universal Credit.

How much Child Tax Credit will I get?

It is complicated to work out how much Child Tax Credit you might get.

A maximum amount is made up of different parts based on your personal circumstances:

- Family Element if you are responsible for a child or qualifying young person born before 6 April 2017
- Child Element for your first and second child or qualifying young person (and any other children born before 6 April 2017 or who qualify for an [exception to the Two Child Limit](#))

- Disabled Child Element if your child or qualifying young person is disabled (paid at either the disabled child rate or severely disabled child rate depending on what disability benefits you receive for your child).

This amount is then compared to your annual income. Savings do not affect your claim but interest from savings is included as income.

Our [Benefits Calculator](#) can calculate how much Child Tax Credit you may be entitled to.

Benefit Cap

Child Tax Credit is included in the Benefit Cap which limits the total amount in some benefits that working-age people can receive. You can read more about the Benefit Cap in our [Benefit Cap guide](#).

Two Child Limit

From 6 April 2017, the number of Child Elements that are included in your Child Tax Credit is limited to two children for children born on or after 6 April 2017. You will get the child element for all children born before 6 April 2017.

If you have or become responsible for a third (or more) child born on or after 6 April 2017, you will not get a Child Element for them unless an exception applies. You can read about the exceptions to the Two Child Limit on our [Two Child Limit Exception page](#). If you think an exception might apply you should [claim it](#) as soon as possible, as HMRC say they will

only backdate it one month from when you tell them an exception applies.

Remember to tell HMRC about all of your children even if you will not receive a Child Element for them. You may still get other elements for them like the Disabled Child element or the Childcare element of Working Tax Credit.

How will I be paid Child Tax Credit?

Child Tax Credit will be paid directly into your Bank, Building Society or Post Office account or through the [Payment Exception Service](#) if you are unable to open or manage one of these or a similar account. Child Tax Credit is usually paid every four weeks. However, you can ask HMRC to pay it to you weekly.

Child Tax Credit and other benefits

Child Tax Credit will not reduce the amount you get for:

- [Income Support](#)
- Income-based [Jobseeker's Allowance](#)
- Income-related [Employment and Support Allowance](#)
- [Pension Credit](#)

Child Tax Credit only counts as income for [Housing Benefit](#) if you are not getting any of the above benefits.

You cannot get Child Tax Credit and [Universal Credit](#) at the same time.

How do I claim Child Tax Credit?

If you are already getting tax credits and you need to change your claim, for example because you are receiving Working Tax Credit and want to claim Child Tax Credit, you can contact HM Revenue and Customs (HMRC) Tax Credits by phone or manage your tax credits online.

- Telephone: 0345 300 3900
- Textphone: 0345 300 3909
- Online: **Manage your Tax Credits page of the Gov.UK website**

Remember that your tax credits claim has to be renewed every year by 31 July. If you do not renew your claim, your tax credit payments may stop and you may have to pay some tax credits back. Find out more about tax credit renewals on the **How to Renew your Tax Credits page of the Gov.UK website**

What documents will I need to claim Child Tax Credit?

When you make a claim for Child Tax Credit, you may be asked for:

- Your **national insurance number**. If you do not have a national insurance number, send in the claim form anyway to avoid delays
- Proof of your identity, for example birth certificate, passport or driving licence
- Proof of your annual income, for example, P60, bank statements or pay slips.

If you qualify for an exception to the Two-Child Limit, you may also be asked for other documents, for example:

- Adoption certificate
- Social worker's declaration (for kinship care placements)
- Support worker's declaration (for children conceived as a result of rape).

Read more about **how to qualify for an exception to the Two Child Limit on the Gov.UK website**.

When will my Child Tax Credit claim begin?

Your Child Tax Credit claim will not start until your completed form has been received by HMRC. It is important that you get your completed form in as soon as possible so you don't lose out.

Child Tax Credit can be backdated for up to 31 days if you would have been entitled to it earlier. It does not matter why your claim is late. You can request backdating by including a letter with your claim form. Most backdating for Child Tax Credit happens automatically. The notes that come with the claim form explain when you will need to send a letter asking for the extra 31 days backdating.

Change of circumstances

Child Tax Credit is paid on a year by year basis but it is very important to tell HMRC about changes in your circumstances during the year which could affect the money you get. You must tell them about some changes within one month.

You can read more about changes of circumstances on the [**Changes that affect your Tax Credits page of the Gov.UK website.**](#)

You can report changes of circumstances by sending a letter to HMRC, phoning HMRC or online.

- Post: HM Revenue and Customs, Tax Credit Office, BX9 1ER
- Telephone: 0345 300 3900
- Textphone: 0345 300 3909

How do I challenge a Child Tax Credit decision?

If you disagree with the decision made on your claim, you can usually ask for it to be looked at again. This is known as a '[mandatory reconsideration](#)'. If you still disagree with the further decision, you can then appeal to an independent tribunal.

The time limits are strict, you will usually be given 30 days to challenge a decision, so it is important to seek advice and act quickly.

How to repay your tax credits if you are overpaid

The Tax Credit Office will write to tell you what you owe and how to repay.

How you repay depends on whether you still get tax credits, Universal Credit or neither.

[Call the helpline](#) if you:

- think the Tax Credit Office made a mistake
- already have a repayment plan but you get another letter - you may need to set up a new plan

If you still get tax credits

HMRC will automatically reduce your future tax credit payments until you've paid back the money you owe.

The amount they'll reduce your tax credit payments by usually depends on how much you currently get and your household income.

Household income	Reduction
£20,000 or less and you get maximum tax credits	10%
£20,000 or less and you get less than the maximum tax credits	25%
More than £20,000	50%

If you only get the family element of Child Tax Credit, your payments will be reduced by 100% whatever your income is.

If you've moved to Universal Credit

Your [future payments will be reduced](#) until you've paid back the money you owe.

If you do not get tax credits or Universal Credit

HMRC will send you a 'notice to pay' which you should pay within 30 days.

It's your responsibility to make sure payments reach HMRC on time. Check your bank's transaction limits and processing times.

If you do not pay in time, the money you owe will be [recovered from you](#) in another way.

[Call the helpline](#) if you want to make extra payments to clear the debt more quickly.