

News Release

For the attention of News and Personal Finance Desks

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HMRC can help towards the cost of children's summer holiday activities

HM Revenue and Customs (HMRC) is reminding working families in London that they can use Tax-Free Childcare to help pay for their childcare costs over the summer.

Tax-Free Childcare – a childcare top-up for working parents – can be used to help pay for accredited holiday clubs, childminders or sports activities – giving parents and carers that extra peace of mind that their child is having fun during the school summer holidays and it can save them money.

Tax-Free Childcare is available for children aged up to 11, or 17 if the child has a disability. And for every £8 deposited into an account, families will receive an additional £2 in government top-up, capped at £500 every three months, or £1,000 if the child is disabled.

Parents and carers can check their eligibility and <u>register for Tax-Free Childcare via GOV.UK</u>. They can apply for an account at any time and start using it straight away. By depositing money into their accounts, families can benefit from the 20% top-up and use the money to pay for childcare costs when they need to, for example, during the summer holidays.

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

"We want to help kids stay active this summer, whether they are going to summer holiday clubs or a childminder. A childcare top-up will go a long way towards helping parents plan and pay for summer activities to keep their kids happy and healthy.

"To find out more search 'tax-free childcare' on GOV.UK."

30,665 working families used their account in March 2021 in London. And in the same month,

HMRC paid out more than £33 million in top-up payments, which was shared between more

than 282,000 families across the UK.

Tax-Free Childcare is also available for pre-school aged children attending nurseries,

childminders or other childcare providers. Families with younger children will often have higher

childcare costs than families with older children, so the tax-free savings can really make a

difference.

Childcare providers can also sign up for a childcare provider account via GOV.UK to receive

payments from parents and carers via the scheme.

Notes for Editors

1. Visit GOV.UK for further information on Tax-Free Childcare

2. Latest Tax-Free Childcare statistics were released on 19 May 2021. Data is available

up to 31 March 2021

3. 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

4. Account holders must confirm their details are up to date every three months to

continue receiving the government top-up

5. Follow HMRC's Press Office on Twitter @HMRCpressoffice

Issued by HM Revenue & Customs Press Office

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