

## Working Tax Credit

### What is Working Tax Credit

Working Tax Credit (WTC) is a payment for people who are working and on a low income. Working Tax Credit is paid by HM Revenue and Customs (HMRC) directly into your bank or building society account, or into a post office card account.

### Who can get Working Tax Credit

You can get WTC if you or your partner are working enough hours a week and your income is low enough. You must be living in the UK. If you are from abroad, you may have difficulty claiming WTC depending on your immigration status.

If you aren't sure about your right to claim WTC because of your immigration status, get help from an experienced adviser.

There are a number of different ways you can qualify for WTC, depending on your circumstances:

### If you're single or in a couple, and have no children

#### If you're 25 or over and work 30 hours a week or more

You may get WTC if you're 25 or over and work at least 30 hours a week. Whether you qualify will depend on your income. You don't have to have a child in order to claim, but you do have to work enough hours.

#### If you're 60 or over and work at least 16 hours a week

If you're 60 or over and work at least 16 hours a week, you may get WTC.

#### If you're disabled

If you're 16 or over and disabled, you may get WTC provided you work at least 16 hours a week, your income is low enough and you get one of the qualifying benefits because of your disability. HMRC may also apply a test which looks at how your disability or illness affects your chances of finding work.

The qualifying benefits include:

- Incapacity Benefit
- Disability Living Allowance
- Personal Independence Payment
- Attendance Allowance
- Armed Forces Independence Payment

- Industrial Injuries Disablement Benefit with Constant Attendance Allowance
- Statutory Sick Pay
- occupational sick pay
- Income Support
- national insurance credits awarded because you have been unable to work
- income-related or contributory Employment and Support Allowance.

There are rules about how long you have to have been getting some of these benefits before you claim WTC.

If you're disabled and you're not sure whether you qualify for WTC, you should get help from an experienced adviser.

## If you're single and you're responsible for a child

If you're 16 or over and responsible for a child or young person, you can get WTC provided you work at least 16 hours a week and your income is low enough. Someone counts as a child until 1 September following their 16<sup>th</sup> birthday. A young person is someone who is 16, 17, 18 or 19 and still in full-time education up to A level or equivalent, or on certain approved training courses. You're responsible for a child or young person if they normally live with you or you have the main responsibility for their care.

If you're responsible for a child, you may be able to get Child Tax Credit as well as WTC or instead – see Further help at the end of this fact sheet.

## If you're in a couple and you're responsible for a child

If you're in a couple and you are responsible for a child or young person, you can qualify if:

- you are 16 or over **and** you or your partner work at least 16 hours a week **and** the two of you work at least 24 hours a week between you in total. For example, you can meet this condition if you work 16 hours a week and your partner works 8 hours a week, or
- you are 16 or over **and** you work at least 16 hours a week **and** you are disabled **and** you get a qualifying benefit, or
- you are 16 or over **and** you work at least 16 hours a week **and** your partner is a hospital in-patient or entitled to Carer's Allowance or in prison or getting certain disability benefits, or
- you are 60 or over **and** you work at least 16 hours a week.

## How Working Tax Credit is calculated

To work out whether you're entitled to WTC and how much you can get, HMRC will look at how much income you've got. If your income is low enough, you will get the maximum amount of WTC (and Child Tax Credit if this applies). This will depend on your circumstances.

The maximum amount of WTC you can get is calculated by adding together different elements which are based on your circumstances. These elements are:

The **basic element**. This applies to anyone who is entitled to WTC.

The **second adult element**. This applies if you're claiming as a member of a couple. You have to claim as a couple if you live with a partner. This includes same-sex partners as well as opposite-sex partners.

The **lone parent element**, if you're a single person responsible for a child or young person.

The **30 hour element**, if you work 30 hours a week or more. If you're claiming as a couple with children, you can add your hours together to qualify for this element, but you'll only get one 30 hour element between you.

The **disability element**. This applies if you're disabled, get certain benefits and you work at least 16 hours a week (you can get a disability element if your partner qualifies for it, or two disability elements if you both qualify). The **severe disability element** applies if you get the highest rate care component of Disability Living Allowance, the enhanced rate of the daily living component of Personal Independence Payment, the higher rate of Attendance Allowance, or Armed Forces independence Payment. You can also get the severe disability element for your partner, if they qualify.

A **childcare element** which you can get if you pay for childcare provided by a registered childminder, out-of-school club or other approved provider.

If your income is too high, this will affect the amount of WTC you can get.

The tax credit calculation is complicated. You can use an online questionnaire from HM Revenue and Customs (HMRC) to find out whether you qualify and how much you could get. Go to the GOV.UK website at [www.gov.uk](http://www.gov.uk). You can also get help from an experienced adviser.

## How long is working tax credit paid for

Tax credits are awarded for a complete tax year. A tax year runs from 6 April to 5 April the following year. If you claim after 6 April, your award will run from the date you claim to the end of the tax year. If your circumstances change during the period of your award, you should tell HMRC as soon as possible, as your tax credit entitlement could be affected.

## How to apply for Working Tax Credit

To apply for WTC, contact the tax credit helpline for an application pack. The application form for your first claim is Form TC600.

The helpline number is 0345 300 3900 (textphone 0345 300 3909) and calls cost the same as a local telephone call.

## Further help

### Citizens Advice Bureau

Citizens Advice Bureaux give free, confidential, impartial and independent advice to help you solve problems. To find your nearest CAB, including those that give advice by e-mail, click on [nearest CAB](#), or look under C in your phone book.

### Other information on Adviceguide which might help

- Benefits and tax credits for people in work
- Benefits for families and children
- Overpayment of tax credits
- Payment of tax credits
- Tax credits – reporting a change of circumstances
- Payment of benefits and tax credits

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