

Childcare Vouchers

Important message for parents!

Did you know that employees can, if the employer agrees, take part of their pay in the form of childcare vouchers without having to pay tax or NI on the value of vouchers? This value can be up to £55 per week (£243 per month or £2,916 per year). Vouchers can be used to pay for

- traditional child care at a nursery
- the wages of a qualified nanny
- school fees for children under five
- a school's charges for out of school clubs
- boarding fees at a boarding school for children under 16.

What this could mean for you...

- A basic rate taxpayer can be up to £904 better off each year,
- a higher rate taxpayer can be up to £1,195 (in some cases up to £1,779) better off, and
- an additional rate taxpayer can be up to £1,487 better off

(And both parents can take vouchers if their respective employers offer the option, so the annual household saving could be double these figures!)

What's in it for employers? You save, they save...

Employer's NI isn't payable on the value of the vouchers. So an employer can save NI of up to £373 per annum, per employee.

Who are Abacus and what do they provide?

Abacus Voucher Solutions helps parents and employers take advantage of the Government's official approval of employer-supported childcare. Abacus provides employers with comprehensive information and documentation to self-operate a childcare voucher scheme. Abacus also gives guidance to enable employees already receiving working tax credit and/or child tax credit to work out whether they would be better or worse off taking childcare vouchers in place of salary.

What next...

- Find out more by going to www.abacusvouchers.co.uk, and
- Encourage your employer to adopt the Abacus scheme so you and it can start benefiting now! Call Abacus to ask a consultant to speak to your employer or contact Abacus by email at solutions@abacusvouchers.co.uk.