



Income Tax (Earnings and Pensions) Act 2003

2003 CHAPTER 1

PART 4

EMPLOYMENT INCOME: EXEMPTIONS

CHAPTER 11

MISCELLANEOUS EXEMPTIONS

Childcare

[^{F1}318AZA] **Meaning of “eligible employee”**

- (1) An employee is an eligible employee for the purposes of section 318A if conditions A to C are met in relation to the employee.
- (2) Condition A is that the employee—
 - (a) was employed by the employer immediately before the relevant day, and
 - (b) has not ceased to be employed by the employer on or after that day.
- (3) “The relevant day” means the day specified by the Treasury in regulations for the purposes of this section.
- (4) Condition B is that there has not been a period of 52 tax weeks ending on or after the relevant day which has not included at least one qualifying week.
- (5) In subsection (4)—
 - “qualifying week” means a tax week in which care for a child has been provided for the employee under the scheme by the employer in circumstances in which conditions A to D in section 318A are met, and
 - “tax week” has the meaning given by section 318A(7).

Changes to legislation: There are currently no known outstanding effects for the Income Tax (Earnings and Pensions) Act 2003, Section 318AZA. (See end of Document for details)

- (6) Condition C is that the employee has not given the employer a childcare account notice.
- (7) A “childcare account notice” is a written notice informing the employer that the employee wishes to leave the scheme in order to be able to open a childcare account under section 17 of the Childcare Payments Act 2014 or enable the employee's partner to do so.
- (8) In subsection (7) “partner” is to be read in accordance with regulations made under section 3(5) of that Act.
- (9) For the meaning of “care” and “child”, see section 318B.]

Textual Amendments

- F1** S. 318AZA inserted (21.4.2017) by [Childcare Payments Act 2014 \(c. 28\)](#), **ss. 64(4), 75(2)**; S.I. 2017/578, **reg. 3(f)** (with **reg. 8**)

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