
EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends sections 270A(6ZA) and 318A(6A) of the Income Tax (Earnings and Pensions) Act 2003 (“ITEPA”).

Section 270A ITEPA provides for a limited tax relief for childcare vouchers and section 318A ITEPA provides for a limited tax relief for directly contracted childcare. The amount of tax relief is determined on the basis of an estimate of an employee’s relevant earnings for the tax year. For additional rate taxpayers the maximum weekly amount which can be subject to tax relief is £22.

This Order amends the maximum weekly amount which can be subject to tax relief with effect from 6th April 2013 to £25.

A Tax Information and Impact Note covering this instrument was published on 11th December 2012 and is available on the HMRC website at <http://www.hmrc.gov.uk/thelibrary/tiins.htm>. It remains an accurate summary of the impacts that apply to this instrument.