

Scheme conditions for employers

Use this checklist to check:

- the conditions for the tax and NICs exemption
- what records you need to keep in order to show that the exemption is due.

Condition	Description	Records you need to keep	Please tick
<p>1 The scheme is generally available to all employees</p>	<p>For any of your employees to qualify for the exemption the childcare voucher scheme must be:</p> <ul style="list-style-type: none"> • open to all of your employees, or • open to all of your employees based at the location where the scheme operates. <p>This means that you should not exclude any employees or groups of employees from your scheme, for example on the grounds of:</p> <ul style="list-style-type: none"> • gender • seniority or position • level of pay • length of service. <p>But it does not mean that all employees have to participate.</p> <p>For example, employees who cannot participate may be those:</p> <ul style="list-style-type: none"> • without children in qualifying childcare • not earning sufficient salary to participate in a salary sacrifice scheme • who already benefit from Working Tax Credit • who choose not to participate • who are on a waiting list for a childcare place. 	<p>You need to ensure you have a record of the following:</p> <ul style="list-style-type: none"> • A copy of the letter or poster used to advertise the scheme to staff, <i>or</i> • Your staff handbook where this includes details of eligibility. 	<input type="checkbox"/> <input type="checkbox"/>
<p>2 The child is a qualifying child</p>	<p>The child for whom the childcare voucher is provided must be a child of the employee or a child who lives with the employee and for whom s/he has parental responsibility.</p> <p>A child qualifies up to 1 September following their 15th birthday or 1 September following their 16th birthday if s/he is disabled.</p>	<p>You need to have a record of the following:</p> <ul style="list-style-type: none"> • The child's date of birth • A note if the child is disabled • A note of the relationship between the child and your employee (if they are not the child's parent). 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
<p>3 The childcare is registered or approved</p>	<p>The exemption applies in the tax week in which you provide the childcare vouchers to your employees. You must be satisfied, at that point, that the vouchers will only be used to pay for childcare that is registered or approved.</p> <p>NB: <i>Your employees do not need to use the vouchers in the week (or month) they are provided and can save them; for example, to meet higher childcare costs during school holiday periods.</i></p>	<p>You need to have a record of the following:</p> <ul style="list-style-type: none"> • Your scheme rules that includes a requirement for employees to notify you of any change in circumstances in relation to the child or childcare. • The childcare provider's name and registration or approval number. • A note of when the childcare provider's approval is due to expire. 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>