



# Childcare Payments Act 2014

## 2014 CHAPTER 28

### *Withdrawal of existing tax exemptions*

#### **63 Restrictions on claiming tax exemption for childcare vouchers**

- (1) Section 270A of ITEPA 2003 (limited exemption from income tax for qualifying childcare vouchers) is amended as follows.
- (2) In subsection (1)—
  - (a) before “employee” insert “ eligible ”, and
  - (b) at the end insert—

“For the meaning of “eligible employee”, see section 270AA.”
- (3) In subsection (5)(a), before “employees” insert “ eligible ”.
- (4) After section 270A of ITEPA 2003 insert—

#### **“270AA Meaning of “eligible employee”**

- (1) An employee is an eligible employee for the purposes of section 270A 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)—

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*Changes to legislation: There are currently no known outstanding effects for the Childcare Payments Act 2014, Section 63. (See end of Document for details)*

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“qualifying week” means a tax week in respect of which a qualifying childcare voucher has been provided for the employee under the scheme by the employer in respect of a child, and “tax week” has the meaning given by section 270A(7).

- (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.”
- (5) In section 717 of ITEPA 2003 (orders and regulations), in subsection (4), after “employments),” insert “ section 270AA(3) (exemption from income tax for qualifying childcare vouchers: meaning of “eligible employee”), ”.

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**Commencement Information**

**II** S. 63 in force at 21.4.2017 by [S.I. 2017/578](#), [reg. 3\(f\)](#) (with [reg. 8](#))

**Changes to legislation:**

There are currently no known outstanding effects for the Childcare Payments Act 2014, Section 63.