

Child Benefit if earnings have reduced

If you are responsible for one or more children, you may be entitled to claim Child Benefit. If your, or your partner's net income in a tax year is over £50,000 you are liable to pay tax on your "taxable Child Benefit" for that year. This is called the "high income Child Benefit charge". If you have a partner, your income is not combined - the charge is applied to the person whose income is over £50,000, or if both earn over £50,000, the higher earner of the two. If your income is over £60,000, the charge equals the amount of Child Benefit.

If you were in this position before the impact of the Covid-19 virus you may have chosen not to apply for Child Benefit, or you may have applied for it but asked HMRC not to pay it to you. It is always a good idea to claim Child Benefit as it gives National Insurance credits to the claimant, even if it is not paid.

If your income has fallen so that you will have earned less than £60,000 in the last tax year (ending on 5th April 2020), you can make a claim for Child Benefit if you don't currently have one in place, or if you have an unpaid claim, ask for it to be paid. It is normally possible to backdate a new claim for Child Benefit for three months. If you think that you (or your partner) are unlikely to earn more than £60,000 in the 2020/21 tax year it would be worth making a claim from 6 April 2020.

The rates from April 2020 are £21.05 for an eldest child and £13.95 for other children.

To make a claim:

- Phone the Child Benefit helpline: 0300 200 3100 and ask them to send a CH2 claim form
or
- Complete a form on line which must then be printed, signed and posted to the address on the form

If you want to activate payment on an already existing unpaid claim, call the helpline. If you have chosen not to receive the Child Benefit, but have made a claim, you have up to two years after the end of the tax year to ask for the Child Benefit to be paid for that year, if you realise that your Child Benefit would have been more than the charge.

This information is correct on 30 April 2020. We will update this content if things change.