

Rates and Allowances

Tax Credits/Child Benefit

Rates and thresholds

The rates and thresholds of the tax credits are shown below.

Working Tax Credit - £ per year (unless stated)

Rates and Thresholds	2006-07	2007-08
Basic element	£1,665	£1,730
Couple and lone parent element	£1,640	£1,700
30 hour element	£680	£705
Disabled worker element	£2,225	£2,310
Severe disability element	£945	£980
50+ Return to work payment (16-29 hours)	£1,140	£1,185
50+ Return to work payment (30+ hours)	£1,705	£1,770

Childcare element of the Working Tax Credit - £ per year (unless stated)

Rates and Thresholds	2006-07	2007-08
Maximum eligible cost for one child	£175 per week	£175 per week
Maximum eligible cost for two or more children	£300 per week	£300 per week
Percentage of eligible costs covered	80%	80%

Child Tax Credit - £ per year (unless stated)

Rates and Thresholds	2006-07	2007-08
Child Tax Credit Family element	£545	£545
Family element, baby addition	£545	£545
Child element	£1,765	£1,845
Disabled child element	£2,350	£2,440
Severely disabled child element	£945	£980

Income thresholds and withdrawal rates - £ per year (unless stated)

Rates and Thresholds	2006-07	2007-08
First income threshold	£5,220	£5,220
First withdrawal rate (per cent)	37%	37%
Second income threshold	£50,000	£50,000
Second withdrawal rate (per cent)	6.67%	6.67%
First threshold for those entitled to Child Tax Credit only	£14,155	£14,495
Income disregard	£25,000	£25,000

Child Benefit/Guardian Allowance - £ per week

Rates	2006-07	2007-08
Eldest/Only Child	£17.45	£18.10
Other Children	£11.70	£12.10
Eldest/Only Child (Lone Parent Rate)	£17.55	Abolished
Guardian's Allowance	£12.50	£12.95

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