

SCHEDULES

SCHEDULE 8

REDUCTION IN CHILDCARE RELIEF FOR HIGHER EARNERS

Childcare vouchers

- 2 (1) Section 270A (limited exemption for qualifying childcare vouchers) is amended as follows.
- (2) In subsection (2), for “C” substitute “D”.
- (3) After subsection (5B) (inserted by section 36) insert—
- “(5C) Condition D is that the employer has, at the required time, made an estimate of the employee’s relevant earnings amount for the tax year in respect of which the voucher is provided (see section 270B).”
- (4) In paragraph (a) of subsection (6), for “£55” substitute “the appropriate amount”.
- (5) After that subsection insert—
- “(6ZA) In subsection (6)(a) “the appropriate amount”, in the case of an employee, means—
- (a) if the relevant earnings amount in the case of the employee for the tax year, as estimated in accordance with subsection (5C), exceeds the higher rate limit for the tax year, £22,
 - (b) if the relevant earnings amount in the case of the employee for the tax year, as so estimated, exceeds the basic rate limit for the tax year but does not exceed the higher rate limit for the tax year, £28, and
 - (c) otherwise, £55.”
- (6) In subsection (11)—
- (a) for “exempt amount” (in each place) substitute “amounts”,
 - (b) for “(6) above” substitute “(6ZA) above”, and
 - (c) for “318A(6)” substitute “318A(6A)”.