

[15-01-41] Single Person Child Carer Credit Section 462B

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1. Introduction

Section 7 of Finance (No 2) Act 2013 inserted a new section, section 462B, into the Taxes Consolidation Act 1997. This provides for a new credit, the Single Person Child Carer Credit, (SPCCC), to replace the One-Parent Family Tax Credit (OPFC) with effect from 1 January 2014. The OPFC does not apply for any year after 2013.

The SPCCC is given where a person has a “qualifying child” resident with him or her for the whole or greater part of the year of assessment and the other conditions of the relief are also satisfied. The credit is granted in the first instance to the primary claimant who may, if he or she so wishes, relinquish it for the year of assessment to a secondary claimant.

The value of the credit is €1,650 per annum. In addition to this a claimant is also entitled to an additional €4,000 on the standard rate band.

2. Qualifying Child

2.1. What is a qualifying child?

A “qualifying child” is a child:

- (i) who is born in the year of assessment, or
- (ii) who, at the commencement of the year of assessment, is under 18 years of age,
or
- (iii) who, if over 18 years of age at the commencement of the year of assessment—
 - is receiving full-time instruction at any university, college, school or other educational establishment, (see [Paragraph 8](#)), or
 - is permanently incapacitated by reason of mental or physical infirmity from maintaining himself or herself and had become so permanently incapacitated before he or she reached the 21 years of age or had become permanently incapacitated after reaching the 21 years of age, but while in receipt of full-time instruction at a university, college, school or other educational establishment.

The qualifying child must be either the individual’s own child or a child who is in the custody of the individual and who is maintained by that individual at his or her own expense for the whole or greater part of the tax year. Where the qualifying child was born in the tax year and is in the custody of an individual who is not the child’s parent, the individual must maintain the child for the greater part of the period remaining in that year from the date when the child was born.

2.2. Meaning of custody

Note that custody of a child means having day-to-day responsibility for the upbringing of that child, and responsibility for his or her charge and care. Custody differs from the concept of guardianship where an individual, who does not have regular contact with the child, may have the power to make significant decisions

that affect the child such as where he or she is educated or whether medical procedures are undertaken or not.

2.3. Child in care

A child who is in foster care cannot be the subject of a claim by a foster parent as the cost of maintaining that child is met by the HSE. Children in residential care programmes are similarly maintained by the HSE and, likewise, cannot be the subject of a claim.

3. Requirements for All Claimants

To qualify for the Single Person Child Carer Credit an individual must be:

- single,
- widowed or a surviving civil partner,
- married or in a civil partnership but separated or living separately,
- divorced, or
- a former civil partner in a civil partnership that has been dissolved.

The Single Person Child Carer Credit will not be due to an individual:

- who is jointly assessed,
- who is living with his or her spouse or civil partner,
- whose spouse or civil partner died in the tax year, or
- who is co-habiting.

4. Primary Claimant

A primary claimant is the individual who proves for a tax year that a qualifying child is resident with him or her for the whole or the greater part of that year of assessment; i.e. a period greater than six months. In respect of a child born in the year of assessment, the child must reside with the claimant for the greater part of the period remaining in that year of assessment from the date the child was born.

Where a child is the subject of a court order made under section 11 of the Guardianship of Infants Act 1964, granting joint custody to the child's father and mother, and the child resides with each parent for an equal part of the year of assessment, the primary claimant is the parent who is in receipt of Child Benefit in respect of that child from the Department of Social Protection. It should be noted that the purpose of this rule is to provide a 'tie-breaker' in the unusual situation where the child resides with each parent for an equal amount of time. The fact that a joint custody order is in force is of no other relevance to a claim in respect of this credit. In particular, it does not mean that the credit can be apportioned or that both parties can claim it.

A primary claimant is entitled to only one credit, irrespective of the number of qualifying children residing with him or her.

A primary claimant makes a claim for the credit by completing Parts A and C of [Form SPCC1](#) and submitting it to his or her Revenue office. Where the qualifying conditions are met the credit will be granted for that tax year.

5. Relinquishing a Claim

A primary claimant may relinquish the credit so that it can be claimed by a secondary claimant. This might arise, for example, where the primary claimant has insufficient or no tax liability against which to offset the credit although it should be noted that there is no obligation on a primary claimant to relinquish the credit, even in circumstances where he or she is not utilising it.

A primary claimant can give up his or her claim to the credit by completing Parts A, B and C of [Form SPCC1](#) and submitting it to his or her Revenue office. The credit will then be available to be claimed by a secondary claimant.

Because a claimant is only entitled to one credit, irrespective of the number of qualifying children residing with him or her, in relinquishing the credit as primary claimant to make it available for claim by a secondary claimant in respect of one of the children, (or claimants, perhaps, in the case of more than one child), he or she would have no entitlement to an SPCCC; i.e. the claimant cannot retain a credit in respect of one qualifying child and relinquish it in respect of another.

Where a primary claimant has married, remarried or entered a civil partnership or cohabiting relationship, he or she would no longer be entitled to the credit and, therefore, could not relinquish it. As a result, a secondary claimant, even where that may be the other parent of the child, cannot claim it. In those circumstances, another claimant could only make a claim for the credit if he or she could prove that he or she was a primary claimant, either because:

- the child resides with him or her for the greater part of the year, or
- custody is shared on foot of a court order, the child resides with each parent for an equal part of the year and the claimant is entitled to child benefit in respect of the child.

However, see [Paragraph 9.1](#) in relation to the SPCCC in year of marriage, civil partnership or cohabitation.

6. Secondary Claimant

If a primary claimant relinquishes his or her claim to the SPCCC for the tax year, the credit may be claimed by a secondary claimant provided that a qualifying child of the primary claimant who has relinquished the credit resides with him or her for a period of not less than 100 days in a year. These do not have to be consecutive days. In addition, a day may be construed as the greater part of a day. Where a child resides with a claimant for a period, for example, from Saturday morning to Sunday evening, that period can be treated as two days because the period comprises the greater part of each of two days.

6.1. Example

Mary and John are married, but separated, and have one child, Jimmy, who resides with John for the greater part of the year. John is the primary claimant but he has relinquished his claim to the credit. Jimmy resides with Mary for twenty weekends in the year from Saturday morning until after 7.00p.m. on Sunday. She also has Jimmy residing with her for different periods of four, three and two weeks during the year. On each of these occasions he stays with her from Saturday to Saturday.

In total Jimmy resides with Mary for:

Weekends	20 x 2	= 40 days
	4 weeks	= 29 days
	3 weeks	= 22 days
	2 weeks	= 15 days
Total		= 106 days

Because John has relinquished his claim and Jimmy resides with Mary for not less than 100 days, Mary qualifies as a secondary claimant and is entitled to the credit.

[Please note that this example is indicative to demonstrate different possibilities with regard to the calculation of the 100 day requirement. It is not intended to reflect a realistic scenario.]

As for a primary claimant a secondary claimant is only entitled to one credit, irrespective of the number of qualifying children residing with him or her.

There may be more than one secondary claimant where a primary claimant who has more than one qualifying child relinquishes the SPCCC and two or more secondary claimants are able to prove that each of them has a qualifying child residing with him or her for not less than 100 days in the year.

6.2. Example

Pat has two qualifying children – Joe and Mark- who resides with her for most of the year and in respect of whom she receives one credit. Both Joe and Mark reside with their respective fathers, John and Peter, for more than 100 days in the year. Pat has no tax liability and wishes to relinquish her claim to SPCCC. In this case both John and Peter may qualify as secondary claimants provided that neither is married, in a civil partnership nor cohabiting.

All the requirements set out in [Paragraph 3](#) apply to a secondary claimant as they apply to a primary claimant, so where a secondary claimant marries, remarries or enters a civil partnership or cohabiting relationship, he or she is no longer entitled to the credit. However, see [Paragraph 9.1](#) in relation to the SPCCC in year of marriage, civil partnership or cohabitation.

A secondary claimant claims the SPCCC following relinquishment by a primary claimant on [Form SPCC2](#).

7. Claiming back the credit after it has been relinquished

Where a primary claimant has relinquished his or her claim to the Single Person Child Carer Credit for a year of assessment, he or she will have relinquished that claim in full for that year of assessment regardless of any change in his or her circumstances during the year, and the credit will remain relinquished for subsequent years of assessment until the primary claimant notifies the Revenue office that he or she no longer wishes to surrender it. This notification takes effect from the next tax year. Therefore, the credit cannot be taken off the secondary claimant during a tax year in which he or she is availing of it, but only from the commencement of the next tax year following notification by the primary claimant.

The SPCCC cannot be split between two claimants.

7.1. Example

Joan is the primary claimant but as she has had no tax liability for a number of years, she relinquishes her claim to a secondary claimant. During the year she returns to work and would now like to use the credit to reduce her tax liability. She cannot claim the credit immediately and the secondary claimant retains the credit for the year. Having notified Revenue, Joan has to wait until the next tax year to obtain the credit.

8. Child in receipt of full-time instruction

8.1. What is full-time instruction?

For the purposes of the SPCCC, full-time instruction includes all courses relating to primary degrees and diplomas in all public and private educational establishments where the course of education is for one year or more.

It also includes programmes of training for any trade or profession (apprenticeships) being undertaken by the qualifying child where the child is required to devote the whole of his or her time to the training for a period of not less than 2 years.

It should be noted that full-time instruction does not include post-graduate and doctorate programmes where the student is primarily involved in self-managed research and learning, and which do not involve the provision of full-time instruction.

If clarification is required on the full-time nature of any course the Revenue Commissioners can consult with the Minister for Education.

8.2. Qualifying child living away from home

Where a child is in receipt of full-time instruction necessitating living away from home during term time they can be deemed to be resident with the claimant for the purposes of the credit.

8.3. Qualifying child ceases receiving full-time instruction

If a child in receipt of full-time instruction ceases in school or college the credit will continue to be granted for the remainder of that year but will not be due in subsequent years. The claimant is obliged to notify his or her Revenue office of this change in circumstances and to withdraw the claim to the credit. It can be claimed again when or if the child resumes full-time instruction.

9. Claims where the claimant's circumstances change during the year

9.1. Marriage, civil partnership, cohabitation or reconciliation during the year

Where a claimant marries, remarries or enters a civil partnership or a cohabiting relationship, or reconciles with an estranged spouse or partner, during the year, while technically section 462B no longer applies to him or her, (see [Paragraph 3](#) -

Requirements for All Claimants), concessionally the credit can be left and only removed in respect of the following tax year.

9.2. Loss of employment during the year

Where a claimant leaves employment he or she can retain the credit for the rest of that year either to use in respect of any subsequent employment that might be taken up, or to use against a pension entitlement, including any Department of Social Protection pension. Where a claimant remains unemployed, he or she is entitled to make a claim for a tax repayment in respect of each period of 8-weeks of unemployment, in which case the monetary value of his or her credit entitlements will include this credit.

9.3. Death

Where a claimant dies during the year he or she retains the credit for that year and the full credit will be granted in finalising the tax affairs to date of death. A successor claimant in such circumstances will be entitled to make a claim for the tax credit where the qualifying criteria are satisfied.

9.4. Separation

In the year of separation where a couple were jointly assessed for tax purposes the non assessable spouse or other civil partner, as the case may be, may be entitled to the credit in respect of the post separation period subject to the claimant satisfying the qualifying conditions of section 462B; i.e. that he or she has a qualifying child residing with him or her as the single carer for more than six months of the year - see [Paragraph 3](#). As the assessable spouse and nominated civil partner retain that status (and the joint tax credit) for the year, the SPCCC would not be due for the year of separation. However, in respect of the year following the year of separation, if he or she satisfies the requirements and has a qualifying child residing with him or her for the appropriate period, a claim may be made for that year.

10. How to make a claim for SPCCC

Primary Claimant – to claim the Single Person Child Carer Credit complete [Form SPCC1](#), sign the declaration and submit to your local Revenue office.

Primary Claimant – to relinquish a claim in favour of another claimant, complete [Form SPCC1](#), sign the relinquishment and submit to your local Revenue office.

Secondary Claimant – to claim for Single Person Child Carer Credit complete [Form SPCC2](#), sign the declaration and submit to your local Revenue office

All forms are available on www.revenue.ie