



HM REVENUE AND CUSTOMS
Analysis Team

**Child and Working Tax Credits
Statistics**

Finalised annual awards

2005-06



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This issue can be found on the HM Revenue & Customs web site
<http://www.hmrc.gov.uk/stats/personal-tax-credits/menu.htm>

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Child and Working Tax Credits Statistics

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2005-06

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Introduction

Child Tax Credit (CTC) provides support to families for the children (up to the 31 August after their 16th birthdays) and the "qualifying" young people (for 2005-06, in full-time non-advanced education until their 19th birthdays) for which they are responsible. It is paid in addition to Child benefit.

Working Tax Credit (WTC) tops up the earnings of families on low or moderate incomes. People working for at least 16 hours a week can claim it if they (a) are responsible for at least one child or qualifying young person, (b) have a disability which puts them at a disadvantage in getting a job, (c) returned to work within the last year aged at least 50 after a period of at least six months receiving out-of-work benefits or (d) are aged at least 25 and work for at least 30 hours a week.

CTC and WTC are claimed by individuals, or jointly by couples, whether or not they have children (described as "families" in this publication).

A family's entitlement to CTC and WTC in 2005-06 depends on its circumstances in the year (hours worked, number of children, childcare costs, disabilities) and on its incomes in 2004-05 and 2005-06 (for more details, see the Technical Note). The tables classify families according to the levels of their entitlement on each day in 2005-06, modelled from data on their circumstances on each day and their incomes finally reported for that year. Incomes can taper the entitlement to zero; these tables only cover families with positive modelled entitlements.

The figures for in-work families in the tables are based on data extracted from the tax credits computer system at April 2007 for the vast majority of 2005-06 awards (see the Technical Note). See below for the figures for families out of work.

Relation to "snapshot" publications

During 2005-06, tax credits awards were based on the latest reported incomes; these varied during the year. For many awards the first payments were based on 2003-04 incomes; most families reported 2004-05 incomes during 2005-06; and families were encouraged to report in-year estimates of their 2005-06 incomes if this would affect the size of their award. The "snapshot" publication of "Child and Working Tax Credits Statistics" with reference dates in December 2005 and April 2006 classified families according to information on their circumstances and incomes known about by the reference date.

During 2006-07, families provided final information on their circumstances during 2005-06, and on their 2005-06 incomes. This led to "finalised" awards for 2005-06. The tables are based on these finalised awards.

Annual average number of beneficiaries, and annual entitlement

The modelled finalised entitlement of a family can vary within 2005-06 as, for example, the number of their children vary or as they move into or out of work. Also, a family's entitlement can start or end during the year (for example, as couples separate, generating new awards; or as families start or cease to satisfy the qualifying conditions listed above).

The tables show annual average numbers of benefiting families with particular characteristics - that is, the average taken over all days in the year. For example, families can be entitled to WTC only for those days for which they are in work. The average number of families entitled to WTC shown in the tables takes into account the proportion of the year for which each family is entitled to WTC.

Their aggregate annual entitlement (in £ million) of families with particular characteristics is the total entitlement for the year, taken over all awards, for families during the times that they have these characteristics.

Their average annualised entitlement (in £) is then this figure divided by the average number of families with these characteristics, taken over the whole year.

The coverage of out-of-work families with children

A family is defined as being in work at any date if one of the adults, or the single adult, works for at least 16 hours per week.

Some out of work families with children received their child support via CTC, but others received it via child premia in benefits (Income Support or income-based Jobseeker's Allowance). The level of support was the same. All the tables in this publication include all such out of work families, where relevant, irrespective of the source of their support.

Change for this publication

Out of work families are included in more tables, and the figures are less heavily rounded, than in previous issues of this publication

2005-06 entitlement in this publication and the supplement on payments

This publication shows a modelled annual entitlement of £18,585m. Of this, £2,583m is for child support in benefits and £16,002m in tax credits awards. The supplement on payments in 2005-06 shows an actual entitlement figure of £16,035m in tax credits awards, which is £33m higher. This is explained by (a) a small sampling uncertainty in the modelled entitlement shown in this publication and (b) the figure in the payments supplement including some off-system entitlement not modelled in this publication.

Geographical analyses

This publication covers families in the United Kingdom (including Northern Ireland). A separate publication shows analyses for each country, region of England, local authority and parliamentary constituency.

Main aggregates

Note: Figures are separately rounded, which can lead to the components as shown not summing to the total.

Based on finalised awards, the average number of benefiting families during 2003-04 to 2005-06 were:

	2003-04	2004-05	2005-06
	----- <i>millions</i> -----		
Total benefiting	5.7	5.89	5.94
Out-of-work families (all with children)	1.4	1.38	1.41
In-work families	4.34	4.51	4.53
Families with no children (WTC only)	0.16	0.23	0.27
Families with children	4.17	4.28	4.26
Entitlement more than the family element	2.08	2.12	2.16
Entitlement equals family element or less	2.09	2.15	2.10
	----- <i>thousands</i> -----		
Families for which entitlements were higher because of:			
Childcare element	268	304	339
Disabled worker element	64	79	89
Baby addition to family element (in-work families)	361	371	364
Baby addition to family element (other families)	151

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Table 1.1 Families benefiting from tax credits, 2003-04, 2004-05 and 2005-06: annual averages

		Total ¹	Families not in work ¹	In-work families					
				Total	With children			Total	Without children (WTC only)
					With WTC and CTC	With CTC only	More than family element		
2003-04 ²	Number ('000)	5.7m	1.4m	4,336	1,438	640	2,093	4,171	164
	Entitlement (£m) ³	16,400	5,100	11,314	8,334	1,477	1,206	11,017	296
2004-05	Number ('000)	5,888	1,379	4,508	1,445	679	2,151	4,275	234
	Entitlement (£m) ³	17,709	5,353	12,356	8,974	1,717	1,235	11,926	431
	CTC	13,564	5,353	8,211	5,259	1,717	1,235	8,211	-
	WTC	4,145	-	4,145	3,714	-	-	3,714	431
2005-06	Number ('000)	5,939	1,406	4,533	1,496	664	2,101	4,261	272
	Entitlement (£m) ³	18,585	5,474	13,111	9,648	1,742	1,201	12,591	520
	CTC	14,017	5,474	8,543	5,600	1,742	1,201	8,543	-
	WTC	4,568	-	4,568	4,048	-	-	4,048	520

Note. These figures are for finalised awards. They are on a different basis to those appearing in the "snapshot" publications for dates within the year, which were based on information known about by those dates. See the Introduction.

¹ No, or only approximate, estimates for out of work families are available for some earlier years. Figures shown thus "1.4m" are approximate estimates shown in millions. The estimates for out of work families include those receiving the equivalent level of support via out of work benefits (see the Introduction).

² Entitlement as published in the previous issue of this publication, disregarding any changes since then.

³ See the Introduction for the definitions of these amounts. For 2003-04, rounded to the nearest £0.1bn

Table 1.2 Average number of benefiting couples and single adults; numbers of children and annual entitlements

	Benefiting families			Thousands
	-----			Number of children in benefiting families
	Total	Couples	Singles	
All families				
Total	5,939	3,643	2,297	10,088
With children	5,667	3,562	2,105	10,088
Other	272	81	191	-
Out of work families with children				
Total	1,406	352	1,055	2,666
Receiving CTC	758	234	524	1,407
Maximum award ¹	706	194	512	1,318
Tapered	52	41	11	89
Receiving family premia in benefits ²	649	118	531	1,259
In work families				
Total	4,533	3,291	1,242	7,422
With children	4,261	3,210	1,050	7,422
Receiving WTC and CTC	1,496	668	828	2,685
Maximum award ¹	419	140	279	779
Tapered	1,076	528	548	1,907
Receiving CTC only	2,765	2,542	223	4,737
More than family element	664	559	105	1,409
Family element	1,961	1,845	116	3,087
Less than family element	140	139	1	241
No children (receiving WTC only)	272	81	191	-
Maximum award ¹	63	11	52	-
Tapered	209	70	140	-

¹ Where the award is not reduced through tapering, either because the family is passported to maximum CTC through receipt of out of work benefits, or because the annual income is below the relevant first threshold.

² See the Introduction. Not tapered.

Table 2.1 Number of benefiting families in 2003-04, 2004-05 and 2005-06; annual averages and aggregate entitlement

	<i>Thousands, and £million</i>		
	2003-04	2004-05	2005-06
All families			
WTC and CTC	1,438	1,445	1,496
CTC only, > family element	640	679	664
CTC family element	1,982	2,019	1,961
CTC < family element	112	133	140
Total in work with children	4,171	4,275	4,261
No children (WTC only)	164	234	272
Total in work	4,336	4,508	4,533
Out of work ¹	<i>1.4m</i>	1,379	1,406
Total ¹	<i>5.7m</i>	5,888	5,939
Children in these families			
WTC and CTC	2,628	2,606	2,685
CTC only, > family element	1,382	1,449	1,409
CTC family element	3,280	3,229	3,087
CTC < family element	198	231	241
Total for in work families	7,488	7,515	7,422
Out of work ¹	<i>2.6m</i>	2,624	2,666
Total ¹	<i>10.1m</i>	10,139	10,088
Single adults with children			
WTC and CTC	788	799	828
CTC only, > family element	94	105	105
CTC family element	107	116	116
CTC < family element	1	1	1
Total in work with children	990	1,021	1,050
Out of work ¹	<i>1.1m</i>	1,031	1,055
Total ¹	<i>2.2m</i>	2,053	2,105
Families benefiting from:			
30 hour element	1,628	1,716	1,757
Disabled worker element	64	79	89
Severely disabled adult element	47	34	28
50+ return to work element	8	15	14
Childcare element - couples	83	96	106
Childcare element - singles	185	208	233
Baby addition to family element - in-work families	361	371	364
Baby addition to family element - out of work families ¹	151
Disabled child element - in-work families ²	98	107	110
Severely disabled child element - in-work families ²	45	47	47
Annual entitlement (£ million)			
WTC and CTC	8,334	8,974	9,648
CTC only, > family element	1,477	1,717	1,742
CTC family element	1,166	1,190	1,156
CTC < family element	40	45	45
Total in work with children	11,017	11,926	12,591
No children (WTC only)	296	431	520
Total in work	11,314	12,356	13,111
Out of work ¹	5,100	5,353	5,474
Total ¹	16,400	17,709	18,585

¹ The estimates for out of work families include families receiving the equivalent level of support via out of work benefits (see the Introduction). No, or only approximate, estimates for out of work families are available for 2003-04; figures shown thus "*1.4m*" are approximate estimates shown in millions. The 2003-04 entitlement figures are approximate and shown rounded to the nearest £0.1bn.

² No estimates for out of work families are available. At May 2006, however, 85 thousand such families were benefiting from the disabled child element and 50 thousand from the severely disabled child element, either in provisional CTC awards or in the equivalent via benefits (see the Introduction). At April 2006 the equivalent estimates for in-work families were 124 thousand and 51 thousand, respectively.

Table 2.2 Average number of benefiting families with children, and annual entitlements

	<i>Thousands, and £million</i>						
	Total	Out of work families	In work families				
			Total	Receiving WTC and CTC	Receiving CTC only		
				More than family element	Family element	Less than family element	
Family size.							
All families							
One child	2,562	640	1,922	688	167	1,008	58
Two children	2,153	447	1,706	534	309	798	65
Three children	692	204	488	195	140	139	14
Four or more children	260	116	145	78	48	16	2
Total	5,667	1,406	4,261	1,496	664	1,961	140
Couples							
One child	1,444	131	1,313	225	113	917	57
Two children	1,482	115	1,367	258	269	776	65
Three children	466	62	405	123	130	137	14
Four or more children	170	44	126	62	46	16	2
Total	3,562	352	3,210	668	559	1,845	139
Singles							
One child	1,117	508	609	463	54	92	1
Two children	671	332	339	276	41	22	0
Three children	226	143	83	72	9	2	0
Four or more children	91	72	19	17	2	0	0
Total	2,105	1,055	1,050	828	105	116	1
With a child aged under one year	522	158	364	129	70	150	15
Number of children in these families							
All families	10,088	2,666	7,422	2,685	1,409	3,087	241
Couples	6,560	756	5,804	1,382	1,239	2,944	239
Singles	3,528	1,910	1,618	1,304	170	143	2
Average annualised entitlement							
One child	£2,271	£2,325	£2,253	£5,020	£1,548	£592	£331
Two children	£3,098	£4,037	£2,852	£6,797	£2,423	£586	£315
Three children	£4,988	£5,846	£4,629	£8,641	£3,474	£592	£319
Four or more children	£8,166	£8,550	£7,860	£11,183	£5,223	£602	£342
Total	£3,188	£3,892	£2,955	£6,450	£2,625	£589	£322
Total annual entitlement (£ million)							
One child	5,816	1,487	4,329	3,454	259	597	19
Two children	6,670	1,804	4,866	3,629	749	467	20
Three children	3,453	1,194	2,258	1,687	485	82	5
Four or more children	2,126	989	1,138	877	250	10	1
Total	18,065	5,474	12,591	9,648	1,742	1,156	45

Table 2.3 Average number of in-work families benefiting from the 30 hour credit

		<i>Thousands</i>			
	Total	Couples with children	Couples without children	Singles with children	Singles without children
Total families benefiting ¹	1,757	1,076	78	434	170
WTC and CTC	879	534	-	345	-
CTC only, > family element	631	542	-	89	-
No children (WTC only)	248	-	78	-	170

¹ Those claiming the 30-hour element (a) with children and with an award value above the family element, or (b) without children and with a positive award.

Table 2.4 Average number of in-work families benefiting from the childcare element

	Total	Couples	Singles
Total families benefiting ²	339	106	233
WTC and CTC	273	56	217
CTC only, > family element	67	50	17
Eligible childcare costs allowed (per week)			
Under £20	43	10	33
£20 - £39.99	62	16	46
£40 - £59.99	56	18	38
£60 - £79.99	44	15	29
£80 - £99.99	38	13	24
£100 - £149.99 ³	64	22	42
£150 and over	34	12	21
Total	339	106	233
Increase in annualised entitlement through this element (£ million)	858	244	613
Average help with childcare costs ⁴ (£ per week)	£48.45	£44.18	£50.39

² Those claiming the childcare element and with CTC above the family element.

³ After taking account of maximum costs allowed (see Appendix B).

⁴ The difference between the award and the notional award excluding the childcare element.

Table 2.5 Average number of in-work families benefiting from the disabled worker element*Thousands*

	Total	Couples with children	Couples without children	Singles with children	Singles without children
Total families benefiting ¹	89	25	12	14	38
WTC and CTC	33	19	-	14	-
CTC only, > family element	6	6	-	-	-
No children (WTC only)	50	-	12	-	38
One disabled worker in family	88	25	11	14	38
Both adults are disabled workers	1	1	-	-	-

¹ Those claiming the disabled worker element who (a) have children and have CTC above the family element, or (b) have no children and have a positive WTC award. Disabled workers includes those who are severely disabled and also included in Table 2.6.

² Throughout this table, "worker" means an adult working for at least 16 hours per week.

Table 2.6 Average number of in-work families benefiting from the severely disabled adult element*Thousands*

	Total	Couples with children	Couples without children	Singles with children	Singles without children
Total families benefiting ¹	28	15	7	2	4
WTC and CTC	12	10	-	2	-
CTC only, > family element	5	5	-	-	-
No children (WTC only)	11	-	7	-	4
One severely disabled adult	27	15	7	2	4
Both adults are severely disabled	-	-	-	-	-

¹ Those with the severely disabled adult element who (a) have children and have CTC above the family element, or (b) have no children and have a positive WTC award.

Table 2.7 Average number of in-work families benefiting from the disabled child element*Thousands*

	Total	Couples		Singles	
		One disabled child	2+ disabled children	One disabled child	2+ disabled children
Total families benefiting ^{1,2}	110	75	7	27	1
WTC and CTC	57	30	3	23	1
CTC only, > family element	53	45	4	4	-
Family size					
One child	24	14	-	10	-
Two children	47	33	3	11	1
Three children	26	19	3	4	-
Four or more children	12	9	2	1	-
Number of disabled children in benefiting families	118	75	14	27	2

¹ Those with the disabled child element and with CTC above the family element. Disabled children includes those who are severely disabled and included in Table 2.8.

² No estimates for out of work families are available. At May 2006, however, 85 thousand such families were benefiting from this, either in provisional CTC awards or in the equivalent via benefits (see the Introduction). At April 2006, the equivalent estimate for in-work families was 124 thousand.

Table 2.8 Average number of in-work families benefiting from the severely disabled child element*Thousands*

	All	Couples	Singles
Total families benefiting ^{1,2}	47	37	10
WTC and CTC	23	14	9
CTC only, > family element	24	22	1
Family size			
One child	10	6	4
Two children	20	16	4
Three children	12	10	2
Four or more children	6	5	1
Number of severely disabled children in benefiting families	47	37	10

¹ Those with the severely disabled child element and with CTC above the family element.

² No estimates for out of work families are available. At May 2006, however, 50 thousand such families were benefiting from this element, either in provisional CTC awards or in the equivalent via benefits (see the Introduction). At April 2006, the equivalent estimate for in-work families was 51 thousand

Table 2.9 Average number of in-work benefiting families in each band of income used to taper awards*Thousands*

	Range of income used to taper awards ¹							
	Total	Up to £5,220	£5,221 to £9,999	£10,000 to £19,999	£20,000 to £29,999	£30,000 to £39,999	£40,000 to £50,000	Over £50,000
Total								
WTC and CTC	1,496	411	505	546	31	3	-	-
CTC only, > family element	664	-	-	320	313	28	2	-
CTC family element	1,961	-	-	3	725	828	406	-
CTC < family element	140	-	-	-	-	-	-	140
Total with children	4,261	411	505	869	1,068	859	409	140
No children (WTC only)	272	63	118	89	1	-	-	-
Total	4,533	474	624	958	1,069	859	409	140
Derivation of income used²:								
2005-06 income < 2004-05 income								
Increasing award value	719	80	192	285	96	15	26	24
Not affecting award value ³	277	69	1	2	99	81	24	-
2005-06 income up to £2,500 above 2004-05 income								
	2,517	234	311	443	631	598	262	37
2005-06 income > 2004-05 income + £2,500								
Reducing award value	652	-	118	226	174	46	9	79
Not affecting award value ³	369	91	1	1	69	119	87	-
Total	4,533	474	624	958	1,069	859	409	140

¹ See the Technical Note. After deducting the income increase disregard, but before deducting the first threshold.

² Where 2005-06 income is more than £2,500 above 2004-05 income, 2005-06 income less £2,500 is used. See the Technical Note.

³ Even where 2005-06 incomes are below 2004-05 incomes, or are more than £2,500 above 2004-05 incomes, awards may remain at the maximum, at the family level or tapered to zero.

Table 2.10 Average number of benefiting families in each band of annual entitlement*Thousands*

	Total	Band of annual entitlement							
		Under £1,000	£1,000 to £1,999	£2,000 to £2,999	£3,000 to £3,999	£4,000 to £4,999	£5,000 to £5,999	£6,000 to £6,999	£7,000 and over
WTC and CTC	1,496	-	-	75	121	219	310	223	549
CTC only, > family element	664	82	210	149	118	45	33	13	15
CTC family element	1,961	1,811	150	-	-	-	-	-	-
CTC < family element	140	138	2	-	-	-	-	-	-
Total with children	4,261	2,031	362	223	238	264	343	236	563
No children (WTC only)	272	83	66	68	40	9	4	2	-
Total in work	4,533	2,113	428	292	278	273	346	238	564
Out of work	1,406	30	9	608	176	249	180	23	132
Total	5,939	2,143	437	900	454	522	526	261	695
Number of children									
No children (WTC only)	272	83	66	68	40	9	4	2	-
One child	1,922	1,020	178	106	118	138	210	85	66
Two children	1,706	842	144	87	88	91	95	111	248
Three children	488	150	35	25	27	28	30	32	160
Four or more children	145	18	6	5	5	6	7	8	89
Total in work	4,533	2,113	428	292	278	273	346	238	564
Out of work	1,406	30	9	608	176	249	180	23	132
Total	5,939	2,143	437	900	454	522	526	261	695
Single adult families									
Number of children									
No children (WTC only)	191	64	47	53	20	6	1	-	-
One child	609	102	33	45	63	92	162	54	57
Two children	339	26	9	12	17	25	37	61	154
Three children	83	2	1	1	2	2	4	6	65
Four or more children	19	-	-	-	-	-	-	-	17
Total in work	1,242	194	89	111	102	126	204	121	294
Out of work	1,055	6	2	494	124	201	131	15	83
Total	2,297	200	92	605	225	327	335	136	377
Couples									
Number of children									
No children (WTC only)	81	19	19	16	20	3	3	1	-
One child	1,313	918	145	61	55	47	48	31	8
Two children	1,367	816	135	75	71	66	58	50	95
Three children	405	148	34	24	25	26	26	26	95
Four or more children	126	18	5	5	5	6	7	8	72
Total in work	3,291	1,920	339	180	176	148	142	117	270
Out of work	352	24	6	114	52	48	50	8	49
Total	3,643	1,944	345	294	229	196	191	125	319

Technical note

Data quality

The figures for 2005-06 in the table are mostly derived from a scan of the tax credits computer system taken in early April 2007. For each award, the scan contained a record for each sub-period of the year for which the family's circumstances (adult partners, hours worked, number of children, childcare costs, disabilities) remained unchanged. For each such sub-period, the scan revealed the various elements for which the family qualified for the period, and the daily monetary value of the childcare element. It also revealed the values of the 2004-05 and 2005-06 incomes for each award.

A small number (under 1 per cent) of tax credits awards were not included in the scan. Sub-period records for these cases were imputed from a variety of sources, including various control totals covering all awards, and added to the scan data.

For each award, and for each sub-period, the daily rate of entitlement was then modelled by summing the various element values to which the family was entitled and tapering the total away using the income data¹. The modelled daily entitlement was then used to establish where on the plateau - taper profile the family fell for that period.

For each case covered by the scan, and for each sub-period, it was possible to compare the modelled entitlement with that held on the computer system. For all but about 0.1 per cent of cases the discrepancy was at most 2p per day.

The scan did not cover out of work families which receiving their child support via Income Support or income-based Jobseeker's Allowance rather than CTC. A scan of such families at August 2005 was obtained from the Department for Work and Pensions. This contained sufficient information to distinguish single parents from couples. The number and ages of the children were obtained from the Child Benefit records for these families. The level of entitlement at August 2005 was modelled using this information, which however could not include the disabled child or severely disabled child premium. To produce annual averages to be added to the annual CTC averages, the August 2005 aggregates were scaled by a factor needed to produce a separately-estimated overall average for the year. The annualised August 2005 entitlements were also scaled to agree with the separately known total of expenditure via benefits for these families.

¹ In accordance with the tax credits system, the income used to taper the award was the 2005-06 income, if that was lower than the 2004-05 income; the 2004-05 income if the 2005-06 income was less than £2,500 higher; and the 2005-06 income less £2,500 if this was higher than the 2004-05 income.

Appendix: 2003-04 to 2005-06 tax credit elements and thresholds

	Annual rate (£), except where specified		
	2003-04	2004-05	2005-06
Child Tax Credit			
Family element	545	545	545
Family element, baby addition ¹	545	545	545
Child element ²	1,445	1,625	1,690
Disabled child additional element ³	2,155	2,215	2,285
Severely disabled child additional element ⁴	865	890	920
Working Tax Credit			
Basic element	1,525	1,570	1,620
Couples and lone parent element	1,500	1,545	1,595
30 hour element ⁵	620	640	660
Disabled worker element	2,040	2,100	2,165
Severely disabled adult element	865	890	920
50+ return to work element ⁶			
16 but less than 30 hours per week	1,045	1,075	1,110
at least 30 hours per week	1,565	1,610	1,660
Childcare element			
Maximum eligible costs allowed (£ per week)			
Eligible costs incurred for 1 child	135	135	175
Eligible costs incurred for 2+ children	200	200	300
<i>Percentage of eligible costs covered</i>	70%	70%	70%
Common features			
First income threshold ⁷	5,060	5,060	5,220
<i>First withdrawal rate</i>	37%	37%	37%
Second income threshold ⁸	50,000	50,000	50,000
<i>Second withdrawal rate</i>	1 in 15	1 in 15	1 in 15
First income threshold for those entitled to Child Tax Credit only ⁹	13,230	13,480	13,910
Income increase disregard	2,500	2,500	2,500
Minimum award payable	26	26	26

¹ Payable to families for any period during which they have one or more children aged under 1.

² Payable for each child up to 31 August after their 16th birthday, and for each young person for any period in which they are aged under 19 and in full-time non-advanced education, or under 18 and in their first 20 weeks of registration with the Careers service or Connexions.

³ Payable in addition to the child element for each disabled child.

⁴ Payable in addition to the disabled child element for each severely disabled child.

⁵ Payable for any period during which normal hours worked (for a couple, summed over the two partners) is at least 30 per week.

⁶ Payable for each qualifying adult for the first 12 months following a return to work after 5 April 2003.

⁷ Income is net of pension contributions, and excludes Child Benefit, Housing benefit, Council tax benefit, maintenance and the first £300 of family income other than from work or benefits. The award is reduced by the excess of income over the first threshold, multiplied by the first withdrawal rate.

⁸ For those entitled to the Child Tax Credit, the award is reduced only down to the family element, plus the baby addition where relevant, less the excess of income over the second threshold multiplied by the second withdrawal rate.

⁹ Those also receiving Income Support, income-based Jobseeker's Allowance or Pension Credit are passported to maximum CTC with no tapering.