

## Rates and Allowances – Tax Credits

<b>Working Tax Credit</b>	<b>2008/2009</b>	<b>2009/2010</b>
Basic element	£1,800	£1,890
Couples and lone parent element	£1,770	£1,860
30 hour element	£735	£775
Disabled worker element	£2,405	£2,530
Severe disability element	£1,020	£1,075
50 plus element, (16-29 hours)	£1,235	£1,300
50 plus element, (30+ hours)	£1,840	£1,935
<b>Childcare element</b>		
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
percent of eligible costs covered	80%	80%
<b>Child Tax Credits</b>		
Family element	£545	£545
Family element, baby addition	£545	£545
Child element	£2,085	£2,235
Disabled child element	£2,540	£2,670
Severely disabled child element	£1,020	£1,075
<b>Income threshold and withdrawal rates</b>		
First income threshold	£6,420	£6,420
First withdrawal rate	39%	39%
Second income threshold	£50,000	£50,000
Second withdrawal rate	6.67%	6.67%
First threshold for Child Tax Credit only	£15,575	£16,040
Income disregard	£25,000	£25,000
<b>VAT Rates</b>	<b>From 1 April 2008</b>	<b>From 1 April 2009</b>
Threshold for compulsory registration	£67,000	£68,000
De-registration limit	£65,000	£66,000