

Refundable Tax Credit for Child-Care Expenses





Did you know that Revenu Québec makes available a refundable tax credit for child-care expenses?

Under Québec's personal income tax system, certain expenses paid to meet the needs of children may be used to reduce the tax payable on family income. A number of tax measures, including refundable and non-refundable tax credits, are intended specifically for families.

Québec families have access to a tax credit that refunds a portion of their child-care expenses.

Please note that, where children have a place in day care (including day care provided in a school) for which their parents pay the **reduced contribution**, the child-care expenses do not qualify for the tax credit. The reduced contribution, which is set by the Québec government, was **\$7 per day in 2007**.

To obtain the tax credit for child-care expenses, you must file an income tax return and complete the schedule that pertains to the credit. If you file a paper return, remember to attach your official information slip for child-care expenses (the RL-24 slip) or the receipts issued by the person who provided the child-care services. If you file an electronic return, keep your information slips and receipts in case we ask to see them.

Advance payments

If you are entitled to the tax credit for a taxation year, you may be able to receive it in advance. Details are given further on in this publication.

Requirements that must be met in order to claim the tax credit*

- You or the person who was your spouse on December 31 pays the child-care expenses for an eligible child, and the care is provided in Canada.
- The child-care expenses are paid to allow you or the person who was your spouse on December 31 to
 - carry out employment duties or hold an office,
 - actively carry on a business,
 - actively seek employment,
 - attend an educational institution, or
 - carry out research or similar work for which you or your spouse receives a grant.

* For complete information on the requirements that must be met in order to claim the refundable tax credit for child-care expenses, see line 455 in the guide to the income tax return (TP-1.G-V).



Eligible child

To be eligible for the tax credit, you must have paid the child-care expenses for a child who meets one of the following requirements at any time during the taxation year:

- He or she is under 16.
- Regardless of age, he or she has an infirmity and is your or your spouse's dependant.

The child could be:

- your or your spouse's child; or
- your or your spouse's dependant, where his or her income for the year does not exceed \$6,650. The child's income is the amount entered on line 275 of his or her return (or the amount that would have been entered if the child had filed a return).

Note: The amounts given in this folder are those in effect for 2007.



Examples of child-care expenses that qualify for the tax credit

- expenses paid to a preschool education centre*
- expenses paid to a nursery school*
- expenses paid for educational workshops for preschool children (the equivalent of a nursery school)*
- expenses paid to a kindergarten*
- expenses paid to a kindergarten and day-care centre*
- expenses paid to a municipal recreation centre during school vacations (for example, expenses for a playground program)
- expenses paid to a day camp
- additional expenses paid for overtime care
- additional expenses for statutory holidays (not subsidized)
- expenses paid for a babysitter in the home
- expenses for meals in a day-care centre or camp, where these expenses are included in the cost of services and not billed separately
- expenses for a child who attends a camp, boarding school or sports school, up to a maximum of
 - \$175 per week for a child under 7 years of age,
 - \$250 per week for a person with a severe and prolonged mental or physical impairment, and
 - \$100 per week for all other eligible children.

* Except where the reduced contribution applies.

Examples of child-care expenses that do not qualify for the tax credit*

- the reduced contribution set by the government
- amounts paid to the child's father or mother
- amounts paid to a person living in a conjugal relationship with you
- medical expenses and other expenses related to medical services or hospital care, as well as transportation expenses
- expenses for teaching services
- clothing and other personal expenses
- child-care expenses for which another person is claiming a tax credit for child-care expenses with respect to the same child
- expenses for meals (extra charges), unless meals are included in regular day-care costs
- additional fees charged for field trips (such as an admission fee for an activity or transportation costs)
- registration fees for courses or recreational activities that are provided by municipalities during the school year
- expenses reimbursed by the Ministère de l'Emploi et de la Solidarité sociale
- expenses that were reimbursed or for which you may claim a reimbursement, or that are covered by any similar form of financial assistance, unless the expenses are included in your income when you file your income tax return and cannot be deducted in the calculation of taxable income.

* For complete information on which child-care expenses do not qualify for the tax credit, see line 455 in the guide to the income tax return (TP-1.G-V).

Advance payments of the refundable tax credit for child-care expenses

If you believe you are entitled to the refundable tax credit for child-care expenses, you may ask Revenu Québec to pay you the tax credit in advance. Payments are made by cheque or direct deposit.

Advance payments are made quarterly (four times a year) on or about January 15, April 15, July 15 and October 15.

You can receive advance payments of the tax credit if you meet the following requirements:

- You are the father or mother of a child with whom you are living at the time of the application.
- You are a Québec resident at the time of the application.
- Your estimated tax credit for the current year is over \$1,000. However, this condition does not apply if, according to your estimates, you are entitled to a work premium of over \$500 for the current year.

How to apply for advance payments of the tax credit

You are required to

- complete form TPZ-1029.8.F-V, *Tax Credit for Child-Care Expenses: Application for Advance Payments*;
- have the person who provides the child-care services complete form TPZ-1029.8.F.A-V, *Child-Care Expenses Giving Entitlement to the Tax Credit*;
- send these forms to Revenu Québec.

Revenu Québec will determine the amount of any advance payments to which you are entitled.

When both spouses consider that they are entitled to the tax credit for the year, only one of them may apply for advance payments.



Important

You must inform Revenu Québec of any change during the year in your personal or family situation that could affect the amount of your advance payments of the tax credit. For example, you must notify Revenu Québec if your child-care expenses are lower than expected or if they do not qualify for the tax credit.



This publication is provided for information purposes only. It does not constitute a legal interpretation of the *Taxation Act* or any other legislation.

To contact us



By Internet

We invite you to visit our Web site at www.revenu.gouv.qc.ca.



By telephone

Hours of availability for telephone service

Monday, Tuesday, Thursday and Friday: 8:30 a.m. to 4:30 p.m.

Wednesday: 10:00 a.m. to 4:30 p.m.

Information concerning individuals and individuals in business

Québec City area 418 659-6299	Montréal area 514 864-6299	Elsewhere (toll-free) 1 800 267-6299
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Information concerning businesses, employers and consumption taxes

Québec City area 418 659-4692	Montréal area 514 873-4692	Elsewhere (toll-free) 1 800 567-4692
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Information service for persons with a hearing impairment

Montréal area 514 873-4455	Elsewhere (toll-free) 1 800 361-3795
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By mail

Individuals and individuals in business

Montréal, Laval, Laurentides, Lanaudière
and Montérégie

Direction principale des services
à la clientèle des particuliers
Revenu Québec
Complexe Desjardins
C. P. 3000, succursale Desjardins
Montréal (Québec) H5B 1A4

Québec City and other areas

Direction principale des services
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3800, rue de Marly
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Businesses, employers and consumption taxes

Montréal, Laval, Laurentides, Lanaudière,
Montérégie, Estrie and Outaouais

Direction principale des services
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Québec City and other areas

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3800, rue de Marly
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2007-04

Vous pouvez vous procurer la version française de cette publication en demandant le document *Le crédit d'impôt remboursable pour frais de garde d'enfants* (IN-103).

Revenu

Québec



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