

Refundable Tax Credit for Child-Care Expenses





Did you know that parents can claim a refundable tax credit for child-care expenses with Revenu Québec?

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

For instance, parents may claim a tax credit that reimburses a portion of their child-care expenses. Note that child-care services provided by a day-care service or a school for which parents pay the **reduced contribution (\$7 per day in 2009)** do not qualify for the tax credit.

To claim the tax credit for child-care expenses, you must file an income tax return and complete Schedule C. If you file a paper return, you must enclose 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 for them.

Requirements you must meet to claim the tax credit for child-care expenses*

You may claim the tax credit for child-care expenses if you meet **all** the following requirements:

- You were
 - resident in Québec on December 31, 2009; or
 - resident in Canada, outside Québec, on December 31, 2009, and you carried on a business in Québec in 2009.
- The child-care expenses were incurred while you or your spouse was
 - carrying out the duties of an office or employment;
 - actively carrying on a business;
 - practising a profession;
 - carrying out research for which you or your spouse received a grant;
 - actively seeking employment;
 - attending an educational institution full time or part time;
 - receiving benefits from the Québec parental insurance plan (QPIP) or benefits related to a birth or adoption under the Employment Insurance plan.
- You or your spouse on December 31, 2009, paid child-care expenses to an individual, a day-care centre, a holiday and recreation centre, a camp or a boarding school. In addition, the child was living with you (or with your spouse on December 31) at the time the expenses were incurred.
- The child-care services were provided in Canada by a person resident in **Canada**, unless you were living outside Canada temporarily.

* 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 child-care expenses for a child who was, at some time during the taxation year, under 16, or (regardless of his or her age) had an infirmity and was your or your spouse's dependant.

The eligible child may be:

- your or your spouse's child; or
- a child who was your or your spouse's dependant and whose income for the year was not over \$6,890. The child's income is the amount entered on line 275 of his or her income tax return (or the amount that would have been entered on line 275 had the child filed a return).

Note: The amounts given in this folder are those in effect for 2009.



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 provided by a day-care service or camp, if these expenses are included in the cost of the services and are not billed separately;
- expenses for a child who attends a boarding school or a camp, 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 impairment in mental or physical functions (regardless of his or her age), and
 - \$100 per week for any other eligible child.

* 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 mother or father;
- 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 for 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 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 your taxable income.

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

Can the refundable tax credit for child-care expenses be paid in advance?

Yes. You can apply for advance payments of the tax credit for child-care expenses instead of claiming the tax credit when you file your income tax return. Advance payments for the current year may be deposited directly into your account.

To receive advance payments of the tax credit for the year, you must submit your application to Revenu Québec. Make sure you meet the following requirements:

- You are the biological or adoptive parent (or the spouse of the parent) of a child with whom you are living at the time of your application.
- At the time of your application you are a Québec resident and
 - a Canadian citizen;
 - a permanent resident; or
 - a person on whom Canada has conferred refugee protection.
- 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 an amount of more than \$500 for the work premium or the adapted work premium for the current year.
- You are registered for direct deposit and have an account at a financial institution located in Québec.

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

How to apply for advance payments of the tax credit

To apply for advance payments, you must

- 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: Fees and Number of Days of Care for 2010*;
- mail these forms and the required documents to us by September 1.

You can print the forms from our website or order them by telephone. Form TPZ-1029.8.F-V can also be used to modify or cancel your request.

If you have a spouse, **only one of you may apply** for advance payments of the tax credit for child-care expenses.



Important

You must inform us of any change in your personal or family situation that could affect the amount of your advance payments of the tax credit for child-care expenses.



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 website 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	Montréal area	Elsewhere (toll-free)
418 659-6299	514 864-6299	1 800 267-6299

Information concerning businesses, employers and consumption taxes

Québec City area	Montréal area	Elsewhere (toll-free)
418 659-4692	514 873-4692	1 800 567-4692

Information service for persons with a hearing impairment

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



By mail

Individuals and individuals in business

Montréal, Laval, Laurentides, Lanaudière
and Montérégie

Direction principale des services
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Revenu

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