**Kerry County Childcare Committee**

**Childminding**

**Guidelines on Planning a Childminding Business in your Home**

**2017**

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**Disclaimer: Kerry County Childcare Committee has made every effort to ensure that all the information included in this publication is accurate and correct. However, under no circumstances will the board of Kerry County Childcare Committee be liable in respect of any error(s), omissions, typographical errors or incorrect information therein.**

**Kerry County Childcare Committee assumes no liability whatsoever for any damage resulting from use of this publication, associated resources or its contents. Kerry County Childcare Committee provides this information as a guide and recommends that all childminders seek independent professional tax advice.INTRODUCTION**

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So, you have thought about it over and over and you have decided to operate a childminding business from your home. It is essential that you embark on your childminding career with a strong business sense as it will have added benefits for you in terms of the professionalism of your service and also the potential financial returns for your work. Running your own business involves responsibility and risk with the goal of achieving reward for your effort. You can greatly increase the likelihood of success by forward planning and accessing advice and mentoring from others in the childcare sector.

As a professional Childminder operating a childminding service with a strong business sense:

* You are in a better position for negotiation on payment and conditions with parents/guardians
* You can apply for funding towards your business
* You can keep track of your income and expenditure
* You may be eligible for a €15,000 tax exemption on your childminding earnings
* You can operate in a confident and professional manner and treat childminding as a professional career choice
* By operating within the formal economy the risk of being reported is eliminated facilitating you to promote your business in your local area
* You have the opportunity to make your own PRSI contributions which may entitle you to a contributory state pension and other entitlements

As with any new business it is worthwhile considering doing a start your own business course to get acquainted with the details of managing your accounts, keeping track of expenditure, marketing your service etc.

**WHAT KNOWLEDGE, EXPERIENCE & QUALIFICATIONS DO YOU NEED?**

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In Ireland childcare services come under the auspices of the Child Care Act 1991 (Early Years Services) Regulations 2016. Childcare services including some Childminders (those intending caring for 4 or more children) must meet certain requirements specified in these regulations. Under these regulations an appropriate qualification in childcare is also required. There are many varied childcare courses on offer but for accredited training it is best to contact Kerry Education & Training Board to ask about the range of FETAC accredited childcare courses on offer. The Childcare Committees run a variety of practical childcare training courses including Child Protection & Welfare training, Quality Awareness Programme (Introduction to Childminding), Early Skills Development, Financial Management etc.

Any childcare experience you already have, including experience as a parent, will benefit you greatly in informing you on how to work with children and families. However, it is also important to consider the financial and business end of the childminding service. Discuss the intricacies of your childminding business with your family and access the supports available from the Childminding Advisory Officer in Kerry County Childcare Committee.

**Refer to the following:**

* National Guidelines for Childminders & Childminding First Steps both available in the Step by Step Guide to becoming a Professional Childminder
* Child Care Act 1991 (Early Years Services) Regulations 2016 [www.dcya.gov.ie/documents/childcare/20170216ChildcareRegs2016.pdf](http://www.dcya.gov.ie/documents/childcare/20170216ChildcareRegs2016.pdf)
* Quality & Qualifications Ireland [www.qqi.ie](http://www.qqi.ie)
* Kerry Education & Training Board [www.kerryetb.ie](http://www.kerryetb.ie)
* SOLAS [www.solas.ie](http://www.solas.ie)

**LEGAL REQUIREMENTS**

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**Legal structure:**

In most instances, childminding businesses operate as Sole Traders. This means the business is owned and run by one person, you the Childminder.

**Consider the following points:**

* Register as a self employed Childminder by completing and returning the registration form (TR1 form) to the Revenue Commissioners.
* There is a tax exemption called the Childcare Services Relief in place for Childminders earning less than €15,000. (see page 13)
* To be eligible for the tax exemption you must Voluntary Notify your childminding service to Kerry County Childcare Committee.
* If you intend caring for 4 or more preschool children or children not yet attending National School you are required under the Early Years Services Regulation 2016 to register your service with Tusla. To do this, see <http://www.tusla.ie/services/preschool-services/new-providers>
* Insurance is required for all childminding services, check details of cover available with your home insurance broker or specific childminding insurance providers. Further information is provided in the Step by Step Guide to becoming a Professional Childminder.
* If you are in receipt of social welfare payments find out what the cut off points for payments are and discuss your childminding business plan with your local Social Welfare Officer.
* If you are using existing rooms in your home for childminding you do not require planning permission. However planning regulations do come into effect if you are changing use of existing premises, e.g. garage or building an extension. If this is the case you should make contact with the planning department of Kerry County Council.
* Childminding in the family home is usually exempt from rates but it is useful to check this with Kerry County Council.
* If you live in Local Authority Housing or rented accommodation clarify conditions of your tenancy before setting up a childminding service.

**Refer to the following for further information:**

* Citizens Information Centre for advice [www.citizensinformation.ie](http://www.citizensinformation.ie)
* Child Care Act 1991 (Early Years Services) Regulations 2016 [www.dcya.gov.ie/documents/childcare/20170216ChildcareRegs2016.pdf](http://www.dcya.gov.ie/documents/childcare/20170216ChildcareRegs2016.pdf)
* Revenue information on taxation [www.revenue.ie](http://www.revenue.ie)
* Your Local Enterprise Office [www.localenterprise.ie/Kerry](http://www.localenterprise.ie/Kerry)
* Social welfare information on PRSI, entitlements etc [www.welfare.ie](http://www.welfare.ie)

**Record keeping:**

It is good practice for all childminders to have a clear method for recording information on a range of issues relating to your business.

All Notified and Voluntary Notified Childminders are required to keep records on attendance, medicine administered, any accident/ incident forms etc. Parents should be aware of the records you maintain on their children and records like the medicine administration, incident / accident form etc should also be signed by parents. It is good practice to give parents a copy of these forms for reference. All records should be stored safety. A comprehensive sample of record forms is available in the Step by Step Guide to becoming a Childminder. Please note all information records regarding attending children MUST be kept until that child has turned 21 years of age.

In addition to childcare records it is also advisable to keep a good record of all financial transactions involving your business. Samples are available from the Enterprise Boards, County Childcare Committees etc.

**Refer to the following for further information:**

* Sample policies & procedures, working agreements etc are available in the Step by Step Guide to becoming a Professional Childminder available from Kerry County Childcare Committee.

**HOW MANY CHILDREN CAN YOU MIND?**

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This is an important decision and is affected by many issues.

* The Child Care Act 1991 (Early Years Services) Regulations 2016 state that a single-handed Childminder should look after no more than 5 preschool children including your own preschool children.
* Safety and child welfare issues must override all other aspects of running a successful and profitable childminding business. Consider also how many children you can take care of at any one time where all your attention and energy can be devoted exclusively to minded children.
* The free Preschool Year in Early Childhood Care & Education (ECCE) can be offered by participating childminders. There are a number of requirements including FETAC level 6 accreditation, TUSLA registration & DCYA approval.
* If you are a parent, how many children do you have, what are their ages?
* Are your own or minded children attending a childcare service, national school etc? Do you have to do school pick-ups or drop off?
* What childcare services are already operating in your area?
* Parents often require childcare for part time hours so you must keep track of your schedule. Will there be times when you have a greater number of children at any one time?
* What number of children will your insurance cover cater for? Remember your own children are often counted in the ratios for insurance purposes.

**Please refer to the following:**

* Details of the ECCE scheme available from the Department of Children & Youth Affairs [www.dcya.gov.ie](http://www.dcya.gov.ie)
* Child Care Act 1991 (Early Years Services) Regulations 2016 [www.dcya.gov.ie/documents/childcare/20170216ChildcareRegs2016.pdf](http://www.dcya.gov.ie/documents/childcare/20170216ChildcareRegs2016.pdf)
* Information on local childcare provision available from Kerry County Childcare Committee

**DECIDING A PRICE**

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The price you charge for your childminding service is closely associated with the quality and credibility of your childminding service and will in the end determine your own salary. Prices don’t stay the same so plan your increases according to needs and let parents know well in advance. What you charge is up to you. The following factors need to be taken into account:

* It is important to realise that your household expenditure will increase.
* Do you have a preference to mind babies, preschool or school going children? Generally parents of babies and preschool children will require childminding services for longer times of the day.
* What are the existing prices for childminding in your area?Talk to other childminders & childcare services.
* Remember as an individual childminder you are free to negotiate a fee with parents based on your individual childminding service being offered. However, it is important that it remains affordable for parents.
* What is special about your childminding service? What added benefits can you offer children & parents?
* Prices should be established according to the quality of the service you offer. As a Childminder you should think about the expenses incurred. Please refer to income and expenditure section overleaf.

**Refer to the following:**

* Survey of childminding charges (if available) from Kerry County Childcare Committee
* The National Association of Childminders in Ireland - Childminding Ireland [www.childminding.ie](http://www.childminding.ie)

**INCOME & EXPENDITURE**

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Consider the following issues when setting up a new childminding service in order to maximise the profitability of your service.

**Income:**

If you are a parent of young children you will save money by not paying someone else to care for them. However, will the childminding service be viable / feasible from an economic standpoint? Are you solely dependent on income from childminding? As a self-employed person you will have no income until you are minding children. If it takes a month or two to get established as a Childminder - how will you pay bills in the meantime?

**The following factors will affect your income:**

* Decide how many children you can care for at any one time.
* What will your operating hours be? Can you offer part-time, full-time or drop in care?
* Will you be available early in the morning or later in the evening? Do you wish to offer overnight / weekend childcare if required?
* Decide if you will offer a discount for more than one child from the same family.
* You will need to consider whether you will charge for bank holidays (9 annually), holidays, absence due to illness, settling in period, extended absences etc.
* Can you do pre-school / school drop offs or pick-ups? Have you a relative/ neighbour who could help supervise children while you do pick up / drop offs?
* Who provides meals (breakfast, lunch & snacks) for the children?
* Do you require parents to pay in advance, by cash, cheque or direct debit?
* Will you use a working agreement with parents to negotiate fees? How much notice do you require before a parent leaves your service?
* Clarify with parents how long the child will be absent from your service during any extended absences e.g. maternity or parental leave, school holiday periods etc and discuss the possibility that you might take on additional children during this period.
* It is advisable to write down your fee policy and keep a record of what you agreed with parents so you can refer to it. Using the Working Agreement in the Step by Step Guide can assist you to agree and maintain your fee structure with parents. Remember the Working Agreement should be reviewed periodically and communicating with parents both orally and in writing on a regular basis about fees and charges, planned absences or any other changes to your childminding service can minimize misunderstandings.

**Expenditure:**

* Are you insured to childmind in your home and carry minded children in the car? Your home insurance company may cover you for childminding a small number of children in the home at no additional cost but check that you are completely satisfied with the cover offered.
* What childcare equipment do you require? If you are minding babies you will need a variety of equipment including steriliser, cot & blankets, high chair, buggy (double?), changing mat etc.
* What safety measures will you need to take in the home? Think about the need for stair gates, fire guards, fire safety items, first aid kits, secure outdoor play area? Have you an area where you can change nappies, put small children down to sleep etc.
* Do you have sufficient car seats & seat belts to accommodate all the children safely in the car?
* Have you a good selection of games & activities for children of all ages for both indoor & outdoor play?
* Do you have adequate storage for toys & equipment?
* Your household bills will increase so consider ongoing costs like:
* Food
* Heat & light
* Water
* Telephone
* Insurance
* Petrol / diesel
* Extra refuse, cleaning products etc
* Childcare training & resources
* Childcare equipment & toiletries, arts and craft materials
* Accountancy fees
* PRSI contribution
* Advertising
* Outings
* Optional gifts for children, (birthday, Christmas, Easter eggs, parties)

**Refer to the following** **from Kerry County Childcare Committee:**

* Sample working agreement and survey of childminding charges in the Step by Step Guide to Becoming a Professional Childminder.
* List of other voluntary notified Childminders in your area.

**MARKETING YOUR CHILDMINDING SERVICE**

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Until you let people know you are childminding you will have no business. How do you plan to sell your childminding service to families? How will you present the service as an attractive, high quality and practical option for families? What can you offer parents that compliments or supplements what is already available in the area?

Identify the methods of advertising, which shall be used such as:

* Kerry County Childcare Committee’s Directory of Childcare Services
* Classified advertisement in your local newspapers
* Posters in local businesses
* Door to door leaflet drops
* Poster in local childcare services and national schools
* Parent and Toddler groups
* Internet
* Community Notice Boards
* Talk to other Childminders at events organized by Kerry County Childcare Committee
* Meet your Public Health Nurse
* Tell all your friends, neighbours, family about your new childminding service

**CHILDCARE SERVICES RELIEF**

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* The tax exemption applies only to Childminders who are self-employed. Therefore you **must** register with Revenue as a self employed Childminder to avail of the tax exemption.
* The childminding services must be provided in your own home.
* You may mind up to 3 children (under 18 years) at any one time, excluding your own children. A childminder could, conceivably, mind 3 children in the morning and 3 different children in the afternoon and still qualify.
* The tax exemption applies to gross annual income from childminding and must not exceed the limit of €15,000. Gross income is all childminding fees received from parents within the year without taking account of any expenses incurred in running your childminding service.
* The tax exemption ensures that as a qualifying Childminder you will have no income tax liability and also that your entitlement to the home carer’s allowance, mortgage interest relief, and principal private residence relief is not affected. Income to which the tax exemption applies will not be taken into account in determining entitlement to capital gains tax relief on gains from the disposal of your home as a principal private residence.
* You will be liable to pay PRSI @ 4% on your income (or a minimum €500) provided your income is €5,000 or more in a tax year and this payment will be a contribution towards your Class S benefits. (See more information on next pages). (These figures are subject to change)
* Keep a record of the fees received from childminding; a weekly record in a diary can suffice. Another option would be to open a specific bank account and lodge all fees received. Using a cheque book to pay for specific items for your childminding service is considered good business practice.
* Childminders earning less than €15,000 per annum are not liable for the Universal Social Charge
* If a childminder is married he/she can choose to be either separately assessed or jointly assessed. It is usually more beneficial to be jointly assessed as any of the childminder’s unused 20% tax band and [Single Person’s] tax credit can be utilised by the higher earner. If a childminder chooses to be separately assessed then he/she utilises his/her own tax credits and any unused tax credits are lost (Kerry County Childcare recommends that you seek professional advice on this).

**How to apply for the childcare services relief:**

* Voluntary notify your service to Kerry County Childcare Committee. You will receive a Certificate of Voluntary Notification, this should be kept on file for future reference. This certificate will be renewed on an annual basis.
* Contact the local tax office and ask for a form TR1 to register as a self employed Childminder. (This form is also available to download on [www.revenue.ie](http://www.revenue.ie) - go to forms and registration forms)
* To ensure you avail of the tax exemption, you must submit an Income Tax Return (form 11)each year and claim the childcare services relief on the Tax Return. You will need to confirm that your service is voluntary notified and confirm your total childminding income for the year of claim is less than €15,000. Where a couple are being jointly assessed when submitting a form 11 please ensure that the section being completed by the Childminder indicating exempted income includes the Childminder’s PPS number.
* As a self employed Childminder you will be required to pay Class S PRSI @ 4%. This is your contribution towards such benefits as State Pension (contributory), Maternity Benefit, etc. A flat rate of PRSI of €500 for the year is due if your net taxable income is more than €5,000. PRSI due on certain tax exempt income will be included in the Income Tax assessment for the relevant tax year. This means that €500 should be paid when filing the tax return. **Failure to pay this could affect your State Pension entitlements.**

**Please note:**

If a Childminder does not apply for the childminding tax exemption or is earning over €15,000 gross per annum, then the income is fully taxable. However in this case, a Childminder can deduct a variety of expenses which he/she may have incurred in earning that income i.e. toys, equipment, insurance etc. (see page 20). **REGISTERING AS A SELF EMPLOYED CHILDMINDER**

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To complete the appropriate forms you must have a Personal Public Service Number (PPS Number). To register as a self employed Childminder you need to complete the appropriate registration form (FormTR1). This form is for Individuals / Sole Traders, Partnerships, etc., and is used to register for:

* Childcare services relief (tax exemption) or if applicable income tax
* Employer’s PAYE/PRSI
* VAT (if applicable)

Please Note:

If a childminder is married he/she can choose to be either separately assessed or jointly assessed. It is usually more beneficial to be jointly assessed as any of the childminder’s unused 20% tax band and [Single Person’s] tax credit can be utilised by the higher earner. If a childminder chooses to be separately assessed then he/she utilises his/her own tax credits and any unused tax credits are lost.

**PRSI & PENSIONS FOR THE SELF-EMPLOYED**

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Class S PRSI applies to self-employed people. For Childminders earning over €15,000 the PRSI contribution will be €500 or 4% of taxable income, whichever is the greater.

**What are the benefits of paying PRSI?**

* Widow’s/Widower’s or Surviving Civil Partners (Contributory) Pension
* Guardian’s Payment (Contributory)
* State Pension (Contributory)
* Maternity Benefit
* Adoptive Benefit

**Personal pension provision**

If you are self-employed, you may provide additional income in your retirement by saving via a PRSA or a Personal Pension Plan.

**What is a PRSA (Personal Retirement Savings Account)?**

A PRSA is a long term savings account designed to assist people to save for retirement. Anyone can contribute to a PRSA i.e. self-employed, employed, unemployed, home makers, carers. A list of approved PRSA providers and their products can be obtained from the Pensions Board. A Childminder can pay contributions to a PRSA directly. Tax relief is granted on contributions to a PRSA.

**What is a Personal Pension Plan?**

A Childminder (self-employed person) may take out a Personal Pension Plan with an insurance company. This is an individual contract between you and the insurance company. You pay contributions direct to the insurance company. Tax relief is granted on your contributions to a personal pension.

**Please refer to the following:**

* Queries relating to PRSI can be made to the PRSI section, Department of Employment Affairs & Social Protection on 051 356000.
* For further information on PRSA’s contact The Pensions Board on (01) 6131900.

**REGISTERING FOR TAX IF YOU DON’T QUALIFY FOR THE CHILDCARE SERVICES RELIEF**

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* Complete the form TR1 as above.
* You are obliged as a Childminder to keep financial / accounts records. You must keep full and accurate records of you business from the start.
* Complete a tax return (form 11) at the end of the business year.
* Married childminders should consider if joint assessment or separate assessment is more beneficial to them.

**What records must you keep?**

* All purchases of goods/services
* All moneys received and paid out
* All relevant documents such as invoices, bank statements, cheque stubs, receipts, etc., should also be retained.
* Any expenses incurred in the running of your business must be wholly and exclusively for the purpose of your business.
* Your business takings (income): these should be recorded in a cashbook/excel sheet as and when you receive payment. You could also issue receipts for payment received.
* It is easier to keep records if you pay your business expenses by cheque or direct debit.
* Lodge your money on a regular basis and ensure it always balances with your cashbook/excel sheet.
* All items of expenditure: telephone, rent, ESB, insurance, heating, motor expenses, childcare equipment & materials, etc.
* Some Childminders recommend that you receive payment by cheque or standing order as then you have a record of fees received. This record is required when preparing your accounts, evidence of fees if you are claiming loss of income under insurance policy or to negotiate with banks.

**You must keep your records for six years unless Revenue advises you otherwise.**

**Paying your Income Tax:**

You must pay Preliminary Tax on or before the 31st October of each year, except in your first year of business. Preliminary tax is an estimate of your tax due for the current year. Although you are paying tax in October for the current year you have 3 options from which to choose:

Pay 90% of your final tax bill for current year

OR

Pay 100% of your previous year’s tax bill

OR

Pay 105% of your final tax bill for the year before last, if paying by direct debit. (This option is only available in your 3rd year of business)

**Universal Social Charge (USC)**

You do not pay the USC if your total income for a year does not exceed €13,000. **The USC does not apply to Childminders who are eligible to claim the Childminders Tax Relief of €15,000 per annum .** The USC rates are as follows:

* 0.5% on the first €12,012
* 2.5% on the next €6,760
* 5% on the next €51,272
* 8% on the balance

Self-employed childminders will make a payment of USC along with their preliminary tax payment and any balance will be collected when the final assessment issues. USC is payable on gross income after relief for certain capital allowances, but before relief for pension contributions. Gross income is determined after deduction of legitimate expenses directly associated with the performance of the trade.

**Tax Rates and Tax Bands 2017**

Single/Widowed without dependent children €33,800 @ 20% Bal. @ 40%

Single/Widowed qualifying for child carer tax credit €37,800 @ 20% Bal. @ 40%

Married couple (one spouse income) €42,800 @ 20% Bal. @ 40%

Married couple (both spouses with income) €42,800 @ 20% (with an increase of €24,800 max.) Balance @ 40%

**Income Tax Credits 2017**

**Single** €1650

**Married** €3300

**Single Person Child carer Tax credit (Formerly One parent** **family)** €1650

(single person child carer is also be eligible for single person tax credit so will have a total tax credit of €3300)

**Widowed Parent Tax Credit**

*(These credits are for 5 years and reduce as follows):*

Bereaved in 2017 €3,600

Bereaved in 2016 €3,150

Bereaved in 2015 €2,700

Bereaved in 2014 €2,250

Bereaved in 2013 €1,800

**Home Carer’s Tax Credit (MAX)** €1,100

**Aged tax credit**

*(over 65 years)*

(a) Single/Widowed/surviving Civil Partner €245

(b) Married/Civil Partner €490

**Incapacitated Child - Tax credit** €3,300

**Dependent Relative - Tax credit** €70

**Employee - Tax credit** €1,650

**See** [**http://www.revenue.ie/en/tax/it/tax-chart.html**](http://www.revenue.ie/en/tax/it/tax-chart.html) **for additional Tax Credit, Allowances and Relief information.**

**Expenses That Can Be Offset Against Tax**

As a Childminder all, or a portion of, the following expenses can be offset against income for taxation purposes.

**Notification fee** To Tusla (full amount)

**Membership** To relevant bodies e.g. Childminding Ireland (full amount)

**Premises/charges** Rent (not mortgage), repairs, general maintenance, replacements and refurbishment (portion)

**Insurance** Specific childminding insurance, specific car insurance (full amount)

**Telephone** (Portion)

**Equipment** Any equipment required to meet statutory regulations, cots, buggies, play-pens, high chairs, stair gates, fire extinguishers/fire blankets, sterilisation equipment, toys etc. (full amount) Capital costs: written off at 12.5% per year

**Services** Heating, light, cooking, phone – (portion)

**Play materials** New books, arts & crafts materials, paper, paints etc (full amount)

**Cleaning materials** Cleaning products, soaps, toiletries etc (portion)

**Food** Portion of the household food costs

**Furniture & Fittings** Repair, refurbishment, additional wear and tear (portion)

**Transport** Mileage allowance (portion)

**Training** Course fees, text books, training materials, travel and subsistence (portion)

**Marketing** Advertising costs (full amount)

**Secretarial** Expenses involved in keeping records and accounts, computer equipment, stationery and other office requirements (full amount)

**Accounts** Book-keeping/accountants fees (full amount)

**Staff** Payment to childcare assistant, contract cleaner, window cleaner, garden maintenance (full amount)

Source: Childminding Ireland

**Sample of Tax Assessment** (Single person income based on single persons Tax Credits)

Based on Caring for 3 Children: Child A @ €140 per week

Child B & C (Same Family) @ €200 per week

Total Childminders income: €17,000 **(**€340 per week x 50 weeks)

Against the Childminders income you are entitled to offset expenses which are and must be wholly and exclusively for business purposes.

**Annual Childminders Income €17,000**

Less Expenses (examples only):

Rent (1/3) €1,500

Light & Heat €350

Phone €300

Insurance €200

Consumables (food, cleaning, paper etc.) €2,000

Equipment @ 12.5% of capital €300

Accounts fees €450

Advertising €200

Training €150

Travel €100

Total €5,550

**Taxable Income €11,450**

€11,450 @ 20% = €2,290

Less tax credits - €1,650 allowance for a single person

Tax due for this period **€640**

PRSI €11,450 @ 4% (minimum payment €500) **€500**

USC €11,450 X .5% =  **€57.25**

**Total Tax & PRSI & USC due €1,197.25**

**Sample of Tax Assessment** (Single person income based on single persons Tax Credits)

Based on Caring for 6 Children: Child A @ €120 per week

Child B @ €120 per week

Child C & D (Same Family) @ €200 per week

Child E (afterschool) @ €60 per week

Child F (afterschool) @ €60 per week

Total Childminders Income: €28,000 (€560 per week X 50 weeks)

Against a Childminders income you are entitled to offset expenses which are and must be wholly and exclusively for business purposes.

**Annual Childminders Income €28,000**

Less Expenses (examples only):

Rent (1/3) €1,500

Light & Heat €350

Phone €400

Insurance €220

Consumables (food, cleaning, paper etc.) €4,000

Equipment @ 12.5% of capital €350

Accounts/Audit €450

Advertising €200

Training €200

Travel €200

Total €7,870

**Taxable Income €20,130**

€20,130 @ 20% = €4,026

Less Tax credits - €1,650 allowance for a single person

Tax due for this period **€2,376**

PRSI €20,130 @ 4% = **€805**

USC €12,012 x .5% = €60.06 / €6,760 x 2.5% = €169 / €1,358 x 5% = €67.90 **€296.96**

**Total Tax, PRSI & USC due €3,477.96**

**Sample of Tax Assessment** (Married Income)

As above except:

Married persons circumstances may differ slightly. A married couple has a tax credit of €3,300 all together. They may allocate their credits as they wish i.e.

* One person takes all the credits (€3,300)
* Each person takes 50% (€1,650 each)
* Each person takes a percentage (60%/40 % or 70%/30%)

PAYE tax credit of €1,650 may also apply

**Sample of Tax Assessment** (Single Person Child Carer)

As above except:

Single Parents receive tax credits of €3,300

PAYE tax credit of €1,650 may also apply

**SOCIAL WELFARE PAYMENTS**

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**One Parent Family Payment**

An individual can earn up to €110 without affecting One Parent Family payment. If you earn between €110 - €425 per week you may qualify for a reduced payment.

If you earn over €425 a week, you can no longer claim benefits but some transitional payment may be due.

### One-Parent Family Payment rates 2017:

| **One-Parent Family Payment** | **Weekly rate (maximum) up to 16/3/2017** | **Weekly rate (maximum) from 16/3/2017** |
| --- | --- | --- |
| Personal rate (under 66) | €188 | €193 |
| Child dependent | €29.80 | €29.80 |

**Back to Work Family Dividend (BTWFD)**

The Back to Work Family Dividend (BTWFD) scheme aims to help families to move from social welfare into employment. It will give financial support to people with children who were getting jobseekers and one-parent family payments who take up employment, increase their hours of employment or become self-employed. If you qualify for the scheme you will get a weekly payment for up to 2 years. You will be paid the equivalent of any increases for qualified children that were being paid on your jobseeker and one-parent family payment (up to a maximum of 4 children) for the first year in employment. Half that amount will be paid weekly for the second year.

You may be eligible for the Back to Work Family Dividend if you have at least one qualified child and are getting one of the following payments:

* Jobseekers Allowance or Jobseekers Benefit for at least 12 months
* One Parent Family Payment
* Jobseekers Transitional Payment

**Back to Work Enterprise Allowance (BTWEA)**

The Back to Work Enterprise Allowance (BTWEA) scheme encourages people getting certain social welfare payments to become self-employed. Participants of the scheme retain a percentage of their Social Welfare payment for 2 years.

The qualifying period required for the BTWEA is 12 months provided you have an underlying entitlement to Jobseekers Allowance.

You can avail of the Back to Work Enterprise Allowance if you are:

* Setting up as self-employed in a business that has been approved in advance in writing by a DSP Case Officer or Local Development Company

And

* Getting one of the qualifying payments listed below for at least 9 months (234 days) - Job Seekers Allowance / Benefit / Transitional Payment, [One-Parent Family Payment](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/social_welfare_payments_to_families_and_children/one_parent_family_payment.html), [Disability Allowance](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/disability_and_illness/disability_allowance.html), [Blind Pension](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/disability_and_illness/blind_persons_pension.html), [Farm Assist](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/farming_and_fishing/farm_assist.html), Incapacity Supplement, [Invalidity Pension](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/disability_and_illness/invalidity_pension.html), [Carer's Allowance](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/carers/carers_allowance.html), Deserted Wife’s Benefit, Prisoner’s Wife’s Allowance, [Widow's/Widower's or Surviving Civil Partner's (Non-Contributory) Pension](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/death_related_benefits/widows_non_contrib_pen.html)

Or

* Qualifying for illness Benefit: for 3 out of last 5 years in receipt of a qualifying Social Welfare Payment

Or

* Combination of One Family Payment/Job Seekers Transitional payment / Job seekers Allowance for 9 months

Participants will keep the following portions of their social welfare payments including increases for a qualified adult and children for a maximum of 2 years, 100% for the 1st year, 75% for the 2nd year.

The information above is not extensive and childminders should seek advice from their local Department of Employment Affairs and Social Protection.

**Short term enterprise allowance**

The Short-Term Enterprise Allowance (STEA) gives support to people who have lost their job and want to start their own business.

To qualify you must be getting Jobseeker’s Benefit. There is no qualifying period, which means you do not need to have been getting Jobseeker’s Benefit for a certain period of time. However, you will not qualify if you are getting Jobseeker’s Benefit and working part-time.

The Short-Term Enterprise Allowance is paid instead of your Jobseeker’s Benefit for a maximum of 9 months. It ends when your entitlement to Jobseeker's Benefit ends.

To qualify for the Short-Term Enterprise Allowance you must be getting or have an entitlement to [Jobseeker’s Benefit](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/unemployed_people/jobseekers_benefit.html).

Your business plan must be approved in advance in writing by a Case Officer based in an Intreo Centre or a Social Welfare Local Office or an Enterprise Officer in your Local Development Company.

You must contact the Department of Social Protection immediately if your self-employment ends or you take up employment.

**Enterprise Support Grant (ESG)**

If you have been approved for either the Back to Work Enterprise Allowance or the Short Term Enterprise Allowance then you may be eligible for an Enterprise Support Grant which provides financial support with the cost of setting up your business.

**Extra Benefits**

You can keep any secondary benefits that you were getting with your Jobseeker’s Benefit provided you continue to satisfy the conditions. For example, [a medical card](http://www.citizensinformation.ie/en/health/entitlement_to_health_services/medical_card.html), [Back to School Clothing and Footwear Allowance](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/social_welfare_payments_to_families_and_children/back_to_school_clothing_and_footwear_allowance.html) etc.

You should check with the Department of Social Protection representative in your local Health Centre to see how your [Rent Supplement](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/supplementary_welfare_schemes/rent_supplement.html) or [Mortgage Interest Supplement](http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/supplementary_welfare_schemes/mortgage_interest_supplement.html) may be affected by your participation in the Back to Work Enterprise Allowance.

For further information on any of the above please contact the following:

* Department of Employment Affairs & Social Protection Website: [www.welfare.ie](http://www.welfare.ie)
* Citizens Information Centre Website: [www.citizensinformation.ie](http://www.citizensinformation.ie)
* Contact your Local Development Company Enterprise Officer
* Contact the Case Officer in your local Social Welfare Office or Intreo Centre

**STEPS TO TAKE TO BECOME A PROFESSIONAL CHILDMINDER**

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* Contact the Childminding Advisory Officer in Kerry County Childcare Committee
* Enroll in childcare training including the Quality Awareness Programme, First Aid, Child Welfare & Protection etc
* Arrange an advisory visit to access advice on the physical layout and set up of the service
* Read the information in the Step by Step Guide
* Organize 2 written references and take copies to share with potential parents
* Organise insurance cover
* Write your own Childminding Policies & Procedures by consulting the samples available in the Step by Step Guide. Print a copy for parents.
* Complete and return the Voluntary Notification Form to Kerry CCC
* If required to do so register your childminding service with Tusla
* Register your new Childminding business with Revenue
* Decide on your fee policy and preferred hours of work etc.
* Request that your contact details be included in the local Directory of Childcare Services
* Participate in organized childcare networks to meet other Childminders
* Design a flyer and place in your local supermarket, library, parent & toddler group preschool / school etc.
* Place a classified advertisement in the local newspaper and run for several weeks

**USEFUL CONTACTS**

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**Denise Quinlan,**

**Childminding Advisory Officer,**

Kerry County Childcare Committee, Unit 5, DavCon Business Centre, Monavalley Business Park, Tralee, Co. Kerry

Tel: 066 718 1582

Email: [denise@kerrycountychildcare.com](mailto:denise@kerrycountychildcare.com)

Website: www.kerrycountychildcare.com

**Pre School Services Officer**

Tusla Child & Family Agency, Rathass, Tralee, Co. Kerry

Tel: 066 718 4911

Website: [www.hse.ie](http://www.hse.ie)

**Planning Office**

Kerry County Council, County Buildings, Rathass, Tralee, Co. Kerry

Tel: 066 718 3852

Website: [www.kerrycoco.ie](http://www.kerrycoco.ie)

**Citizens Information Centre**

Caherciveen – 0761 07 7780

Kenmare – 0761 07 7810

Killarney – 0761 07 7820

Killorglin – 0761 07 7830

Listowel – 0761 07 7842

Tralee – 0761 07 7862/7863/7864/ 7867

**Local Enterprise Office Kerry**

County Buildings, Rathass, Tralee, Co. Kerry

Tel: 066 718 3522

Website: [www.localenterprise.ie](http://www.localenterprise.ie)/kerry

**Childminding Ireland**

9 Bulford Business Campus, Kilcoole, Co. Wicklow

Tel: 01 287 8466

Website: [www.childminding.ie](http://www.childminding.ie)

**Kidd Insurances**

Unit 6, Block E, Nutgrove Office Park, Rathfarnham, Dublin 14

Tel: 01 207 9017

Website: [www.kiddinsurances.com](http://www.kiddinsurances.com)

**Revenue**

Government Offices, Spa Road, Tralee, Co. Kerry

Tel: 066 716 1000

Website: [kerrydistrict@revenue.ie](mailto:kerrydistrict@revenue.ie)

**Department of Social Protection**

Godfrey Place, Tralee, Co. Kerry

Tel: 066 714 9500

Website: [www.welfare.ie](http://www.welfare.ie)