Dublin City Childcare Committee

CHILDMINDING

GUIDELINES ON PLANNING A CHILDMINDING SERVICE IN YOUR HOME
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INTRODUCTION

Opening a childminding service in your own family home is a serious decision that requires careful thought and consideration. It is essential that you embark on your childminding career with a strong business sense. It will help you and others to view your service as a professional venture and also will have implications on potential financial returns for your work. Running your own service involves responsibility and risk. However, you can greatly increase the likelihood of success by pre-planning and accessing advice and supports from others in the early year’s sector.

The benefits operating a professional childminding service include:

- You can operate in a professional manner and consider childminding as a professional career choice
- You are in a position negotiating your own terms and conditions with parents/guardians
- You can apply for funding towards your service
- You can keep track of your income and expenditure
- You may be eligible for a €15,000 tax exemption on your childminding income
- You can make your own PRSI contributions which may apply towards a contributory state pension and other benefits
- By operating within the formal economy you are eliminating the risk of being reported
- You can promote your service in your local area
- You become a member of early year’s community

Starting a new service is not an easy task. It will require your personal investment: time and effort. It is worthwhile considering taking ‘Starting Your Own Business’ course to get acquainted with good business practise in managing your own accounts, keeping track of your income and expenditure, marketing your service, etc.
WHAT KNOWLEDGE, EXPERIENCE AND QUALIFICATIONS DO YOU NEED?

In Ireland childcare services are regulated by the Childcare (Preschool Services) (No 2) Regulations 2006. Childcare services including some Childminders must meet certain requirements specified in these regulations and have an appropriate qualification in childcare. There are many varied childcare courses on offer. To find accredited training provider list please go to Dublin City Childcare Committee’s website: www.childcareonline.ie.

The Childcare Committees also offer a variety of practical childcare training courses including Always Children First: Child Safeguarding Awareness Training, the Quality Awareness Programme for Childminders including Paediatric First Aid, Hanen – Language Development for Young Children, etc.

Any childcare experience you already have, including your 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 aspects of operating the childminding service.

Refer to the following:

- National Guidelines for Childminders and Childminder’s Support Pack; both available from Dublin City Childcare Committee
- Childcare Preschool Services Regulations 2006: www.hse.ie
- SOLAS (formerly FÁS): http://www.solas.ie
- Dublin City Childcare Committee: www.childcareonline.ie
LEGAL REQUIREMENTS

Legal structure:

In most instances in the country, childminding services operate as Sole Traders. This means the service 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. Please see further information in this document.
- To be eligible for the tax exemption you must Voluntary Notify your childminding service to your local City/County Childcare Committee.
- If you are planning on caring for 4 or more preschool children or children not yet attending National School, you are required under the Preschool Services Regulations to notify the Tusla, Child and Family Agency Pre-school Inspectorate of your proposed childminding service. To do this, just contact the local Tusla for details.
- Insurance is required for all Notified and Voluntary Notified childminding services. Check details of cover available with your home insurance broker or specific childminding insurance providers.
- 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 must make contact with the planning department in your local City/County Council.
- Childminding in the family home is usually exempt from rates but it is useful to check this with your local City/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.citizensinformationboard.ie](http://www.citizensinformationboard.ie)
- Childcare Regulations (pre-school services) [http://www.tusla.ie/services/family-community-support/pre-school-services/](http://www.tusla.ie/services/family-community-support/pre-school-services/)
- Revenue information on taxation [www.revenue.ie](http://www.revenue.ie)
- Your local Enterprise Board [www.enterpriseboards.ie](http://www.enterpriseboards.ie)
- 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 childminding service.

All Notified and Voluntary Notified Childminders are required to keep records on children’s attendance, medication administration, any accidents/incidents, etc. Parents/guardians should be aware of the records you maintain on their children. Certain records, for example, medicine administration, incidents/accidents forms should be shared with parents/guardians as needed. It is good practice to give parents/guardians a copy of these forms for reference. All children’s records should be stored safely and accessed only on a ‘need to know’ basis, i.e. by you, the childminder, child’s parents/guardians and pre-school inspector. A comprehensive sample of record forms is available in the Childminder’s Support Pack. Please note, all information records regarding attending children **MUST** be kept until that child has turned 21 years of age. If the records are in regards of child protection issues, they **MUST** be kept indefinitely.

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

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

- Sample Policies and Procedures, Working Agreements and other forms are available in the Childminder’s Support Pack from Dublin City Childcare Committee.
HOW MANY CHILDREN CAN YOU MIND?

This is an important decision and it is affected by many variables:

- The Childcare (Preschool Services) Regulations 2006 state that a single-handed Childminder should look after not more than 5 preschool children including your own preschool children. No more than 2 children should be less than 15 months old.
- Numerous exemptions may apply. Please see the Childcare (Preschool Services Regulations) 2006.
- Safety and child welfare issues must override all other aspects of running a successful and profitable childminding service. 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 and Education (ECCE) can be offered by participating childminders. There are several requirements including FETAC level 5 accreditation, notification to Tusla and all 5 attending children must be of eligible age (currently 3 years and 2 months and 4 years & 7 months on 1st of September of each year).
- 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/guardians 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:

- Childcare (Pre-school Services) Regulations 2006
  
- Details of the ECCE scheme available from the Department of Children & Youth Affairs [www.dcyia.ie](http://www.dcyia.ie)
- Information on local childcare provision available from Dublin City Childcare Committee
DECIDING A PRICE

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/reductions accordingly. Inform parents/guardians well in advance of any changes in your fees policy. What fees you charge for your services is negotiated between you and parents/guardians. The following factors need to be taken into account:

- 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 and 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/guardians.
- What is special about your childminding service? What added benefits can you offer to children and parents/guardians?
- Prices should be established according to the quality of the service you offer.
- As a Childminder you should think about the expenses that you will incur. Please refer to income and expenditure section overleaf.

Refer to the following:

- The National Association of Childminders in Ireland - Childminding Ireland [www.childminding.ie](http://www.childminding.ie)
INCOME AND EXPENDITURE

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 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, fulltime 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?
- Will you offer occasional overtime hours?
- 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), your personal family 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 and snacks) for the children?
- Do you require parents/guardians to pay in advance? Do you accept payments by cash, cheques or direct debit?
- Will you use a working agreement with parents/guardians to negotiate fees?
- How much notice do you require before a parent/guardian exits your service?
- Clarify with parents/guardians how long the child will be absent from your service during any extended absences, e.g. maternity or parental leave, school holiday periods, etc. Discuss the possibility that you might take on additional children during this period.
- It is advisable to have a written Working Agreement or Contract of your service. It will assist you to agree and maintain your fee structure and other terms with parents/guardians. Remember, this
Document should be reviewed annually and communicated to parents/guardians both orally and in writing to minimize any 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.
- You may seek professional childminding insurance. Presently it is offered through Childminding Ireland (http://www.childminding.ie)
- What childcare equipment do you require? If you are minding babies, you will need a variety of equipment including sterilizer, cot and 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, etc.
- Do you have an area where you can change nappies, put small children down to sleep, etc.?
- Do you have sufficient car seats and seat belts to accommodate all the children safely in the car?
- Have you a good selection of games and activities for children of all ages for both indoor and outdoor play?
- Do you have adequate storage for toys and equipment?
- Your household bills will increase so consider ongoing costs like:

  - Food
  - Heat & light
  - Water
  - Telephone
  - Insurance
  - Petrol / diesel

  - Outings
  - Extra refuse
  - Cleaning products and toiletries
  - Childcare training and resources
  - Advertising
  - Childcare equipment
  - Art/craft materials
  - Accountancy fees
  - PRSI contribution

Refer to the following from Dublin City Childcare Committee:

- Sample of Working Agreement- Childminder’s Support Pack.
- List of other Voluntary Notified Childminders in your area.
MARKETING YOUR CHILDMINDING SERVICE

Until you let people know you are childminding, you will have no service. 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/guardians that compliments or supplements what is already available in the area?

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

- Dublin City 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; Mother and Baby groups
- Internet
- Community Notice Boards
- Talk to other Childminders at events organized by the City/County Childcare Committee
- Meet your Public Health Nurse
- Tell all your friends, neighbours, family about your new childminding service

Refer to the following from Dublin City Childcare Committee:

- Marketing Your Childminding Service – Advisory Guide
CHILDCARE SERVICES RELIEF

- 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. 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/guardians within the year without taking into account of any expenses incurred in running your childminding service.

- If two Childminders are minding children in the same premises, the limit is split between them. Each is not entitled to €15,000.

- 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. Please note, these figures are subject to change.

- Keep a record of the fees received from childminding; a weekly record in a diary or a separate income spreadsheet 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 would be a good business practice.

- Childminders earning less than €15,000 per annum are not liable for the 2% and 4% Universal Social Charge.
How to apply for the childcare services relief:

- Voluntary Notify your service to Dublin City Childcare Committee. You will receive a Certificate of Voluntary Notification; this should be kept on file for future reference. Voluntary Notification is 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 - 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 you have a letter from Dublin City Childcare Committee confirming your Voluntary Notification. You will also need to 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 less 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 is allowed deduct a variety of expenses which he/she may have incurred in earning that income before tax is applied, i.e. toys, equipment, insurance, etc. Please see page 19 for more details.
REGISTERING AS A SELF-EMPLOYED CHILDMINDER

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. The registration form you require is form TR1. 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)
PRSI and PENSIONS FOR THE SELF-EMPLOYED

Class S applies to self-employed people with an annual contribution of €500 for any given year. 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 Partner’s (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. Anybody can contribute to a PRSA, i.e. self-employed, employed, unemployed, home makers, carers, etc. 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 Childminders PRSI section, Department of Social & Family Affairs.
- For further information on PRSA’s contact The Pensions Board on LoCall: 1890 656 565 or http://www.pensionsauthority.ie/en/
REGISTERING FOR TAX IF YOU DON’T QUALIFY FOR THE CHILDCARE SERVICES RELIEF

- 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 your service from the start.
- Complete a tax return (Form 11) at the end of the business year.

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 service must be wholly and exclusively for the purpose of your childminding service.
- Your service takings (income): these should be recorded in a cashbook as and when you receive payment. It is strongly advised that you issue receipts for payments received.
- It is easier to keep records if you pay your service expenses by cheque or direct debit.
- Lodge your money on a regular basis and ensure it always balances with your cashbook.
- All items of expenditure: telephone, rent, ESB, insurance, heating, motor expenses, childcare equipment and 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 6 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:

1) Pay 90% of your final tax bill for current year

OR
2) Pay 100% of your previous year’s tax bill

OR

3) 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) and PRSI

You do not pay the USC if your total income for a year is under €10,036. 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:

<table>
<thead>
<tr>
<th>The Standard Rates of USC 2014</th>
<th>USC Thresholds 2015</th>
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<tbody>
<tr>
<td>Rate</td>
<td>Rate</td>
</tr>
<tr>
<td>Income up to €10,036.00</td>
<td>Income up to €12,012.00</td>
</tr>
<tr>
<td>Income from €10,036.01 to</td>
<td>Income from €12,012.01 to €17,576.00</td>
</tr>
<tr>
<td>Income above €16,016.00</td>
<td>Income from €17,576.01 to €70,044.00</td>
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Reduced rates of USC apply to Medical card holders under 70 whose aggregate income for the year is €60,000 or less. You must hold a full medical card to qualify for the reduced rate. (2% on income up to €10,036 - 2014; 1.5% on income up to €12,012 – 2015; 4% on all income over €10,036 – 2014; 3.5% on all income over €12,012 – 2015).

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 2014/2015**

The tax rates and bands have changed as follows:

<table>
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<th>Tax Category</th>
<th>Details</th>
<th>2014</th>
<th>2015</th>
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</thead>
<tbody>
<tr>
<td>Single or Widowed or Surviving Civil Partner, without dependent children</td>
<td></td>
<td>€1650</td>
<td>€1650</td>
</tr>
<tr>
<td>Single or Widowed or Surviving Civil Partner, qualifying for Single Person Child Carer Credit</td>
<td></td>
<td>€36,800 @ 20% Balance @ 41%</td>
<td>€37,800 @ 20% Balance @ 40%</td>
</tr>
<tr>
<td>Married or in a Civil Partnership, one Spouse or Civil Partner with Income</td>
<td></td>
<td>€41,800 @ 20% Balance @ 41%</td>
<td>€42,800 @ 20% with increase of 24,800 max. Balance @ 40%</td>
</tr>
<tr>
<td>Married or in a Civil Partnership, both Spouses or Civil Partners with Income</td>
<td></td>
<td>€41,800 @ 20% with increase of 23,800 max. Balance @ 41%</td>
<td>€42,800 @ 20% with increase of 24,800 max. Balance @ 40%</td>
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**Income Tax Credits 2014 / 2015**

- Single: €1650
- Married: €3300
- Single Person Child Carer Credit: €1650

**Widowed Parent Tax Credit.** Please note, these credits are for 5 years and with gradual reduction. See www.revenue.ie

- Bereaved in 2014: €3,600
- Home Carer’s Tax Credit: €810

**Aged tax credit (over 65 years)**

- (a) Single/Widowed: €245
- (b) Married: €490
- Incapacitated Child - Tax credit: €3,300
- Dependent Relative - Tax credit: €70
- Employee - Tax credit: €1,650

Source: Budget Summary 2015 from www.revenue.ie
Expenses That Can Be Offset Against Tax

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

**Notification fee**  
To your local pre-school inspectorate (Tusla) - full amount

**Membership**  
To relevant bodies, e.g. Childminding Ireland - full amount

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

**Insurance**  
Specific childminding insurance, specific car insurance - full amount

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

**Services**  
Heating, light, cooking, phone – proportion

**Play materials**  
New books, arts and crafts materials, paper, paints, etc. - full amount

**Cleaning materials**  
Cleaning products, soaps, toiletries, etc. - proportion

**Food**  
Proportion of the household food costs

**Furniture & Fittings**  
Repair, refurbishment, additional wear and tear - proportion

**Transport**  
Mileage allowance - proportion

**Training**  
Course fees, text books, training materials, travel and subsistence - proportion

**Marketing**  
Advertising costs - full amount

**Secretarial**  
Expenses involved in keeping records and accounts, e.g. 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 2014 (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% = €458
USC €10,036 @ 2% = €200.72 & €1,414 @ 4% = €56.56 = €257
Total Tax & PRSI & USC due €1,355

Sample of Tax Assessment 2014 (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 €10,036 x 2% = €200.72 / €5,980 x 4% = €239.20 / €4,114 x 7% = €287.98  €728

**Total Tax, PRSI & USC due**  €3909

**Sample of Tax Assessment 2014** (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 2014** (Single Parent Family Income)

As above except:

Single Parents receive tax credits of €1,650

PAYE tax credit of €1,650 may also apply
SOCIAL WELFARE PAYMENTS

One Parent Family Payment

An individual can earn up to €90 per week without affecting One Parent Family benefit.

If you earn between €90 - €425 per week you may qualify for a reduced payment.

**One-Parent Family Payment rates 2014/2015:**

<table>
<thead>
<tr>
<th>One-Parent Family Payment</th>
<th>Weekly rate (maximum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal rate (under 66)</td>
<td>€188</td>
</tr>
<tr>
<td>Child dependant</td>
<td>€29.80</td>
</tr>
</tbody>
</table>

Back to Work Enterprise Allowance (BTWEA)

The Back to Work Enterprise Allowance encourages people getting certain Social Welfare payments to take up self-employment. 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 Job Facilitator or Partnership Company

And

- Getting Job Seekers Allowance / Benefit, One-Parent Family Payment, Disability Allowance, Blind Pension, Farm Assist, Incapacity Supplement, Pre-Retirement Allowance, Invalidity Pension, Carer's Allowance, Widow's/Widower's or Surviving Civil Partner's (Non-Contributory) Pension, Deserted Wife's Benefit/Allowance or Prisoner's Wife's Allowance for at least 12 months

Or
• Getting illness Benefit for 3 or more years

If you have been getting job seekers benefit you must have been unemployed for 2 years to qualify. However if you have an underlying entitlement to jobseekers Allowance (this means that you would pass the means test and other criteria), and have been getting Jobseekers Benefit for 12 months you can qualify for the allowance. Signing on for unemployment credits following your Jobseekers Benefit does not count towards the qualifying period.

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, and 75% for the 2nd year.

**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 1 year. It ends when your entitlement to Jobseeker’s Benefit ends.

You can get immediate access to the allowance but you must meet the qualifying conditions: to qualify you must have an entitlement to Jobseekers Benefit and 104 contributions paid in the last 2 years.

Your business plan must be approved in advance in writing by a Jobs Facilitator based in a Social Welfare Local Office or an Enterprise Officer in your local Partnership Company or Integrated Local Development Company (ILDC).

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

If you qualify, the Short-Term Enterprise Allowance replaces your Jobseeker’s Benefit. The Short-Term Enterprise Allowance will be paid at the same rate as your Jobseeker’s Benefit, including any increases for adult and child dependants. It ends when your entitlement to Jobseeker’s Benefit ends.
Secondary 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, Doctor Only/GP Visit Card and Back to School Clothing and Footwear Allowance.

You should check with the Community Welfare Officer in your local Health Centre to see how your Rent Supplement or Mortgage Interest Supplement may be affected by your participation in the Back to Work Enterprise Allowance.

These details are subject to change, please refer to

- Department of Social Protection Website: www.welfare.ie
- Citizens Information Centre Website: www.citizensinformationboard.ie
STEPS TO TAKE TO BECOME A PROFESSIONAL CHILDMINDER

- Contact the Childminding Development Officer in Dublin City Childcare Committee.
- Request the Childminder Support Pack and carefully read the information in the pack.
- Sign up for childcare training including the Quality Awareness Programme, Always Children First, etc.
- Organize 2 written references and take copies to share with potential parents.
- Write your own Childminding Policies & Procedures by consulting the samples available in the Childminder Support Pack. Print a copy for parents.
- Decide on details in your Working Agreement or Contract (include detailed fee policy and preferred hours of work, etc.).
- Organise insurance cover.
- Complete and return the Voluntary Notification Form.
- Arrange an advisory visit to access advice on the physical layout and set up of the service.
- If required to do so, notify your childminding service to the pre-school inspectorate at Tusla.
- Request that your contact details be included in the local Directory of Childcare Services.
- Register your new Childminding service with Revenue.
- Advertise your childminding service. Design a flyer and place in your local supermarket, library, parent & toddler group, preschool/schools, etc.
- Participate in organized training events and networks to meet other Childminders.

Refer to the following from Dublin City Childcare Committee:

USEFUL CONTACTS

Audra Hubbard
\textbf{Childminding Development Officer}
Dublin City Childcare Committee
Ocean House
Arran Quay
Tel: 01 889 7123
Email: \texttt{audra@dccc.ie}
Website: \texttt{www.childcareonline.ie}

\textbf{Pre-School Services Inspectorate}
Website: \texttt{www.tusla.ie}

\textbf{Planning Office}
Dublin City Council
Planning Department
Civic Offices
Block 4, Ground Floor
Wood uay
Dublin 8
Email: \texttt{planning@dublincity.ie}

\textbf{Citizens Information Centre}
\texttt{http://centres.citizensinformation.ie/}
Dublin City Local Enterprise Boards

https://www.localenterprise.ie/DublinCity/

Childminding Ireland

9 Bulford Business Campus, Kilcoole, Co. Wicklow

Tel: 01 287 8466

Website: www.childminding.ie

Kidd Insurances

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

Tel: 01 207 9017

Website: www.kiddinsurances.com

Revenue


Department of Social Protection

Website: www.welfare.ie