

REVENU
QUÉBEC



REFUNDABLE TAX CREDIT FOR CHILDCARE EXPENSES



revenuquebec.ca

**MEASURES LIKE
THE REFUNDABLE TAX
CREDIT FOR CHILDCARE
EXPENSES CONTRIBUTE
TO THE WELL-BEING OF
FAMILIES ACROSS QUÉBEC.**

This publication is provided for information purposes only. It does not constitute a legal interpretation of the *Excise Tax Act*, the *Act respecting the Québec sales tax* or any other legislation.

ISBN 978-2-550-94402-7 (Print version)

ISBN 978-2-550-94403-4 (PDF)

Legal deposit – Bibliothèque et Archives nationales
du Québec, 2023

Legal deposit – Library and Archives Canada, 2023

CONTENTS

Did you know that you can claim a refundable tax credit for the childcare expenses that you pay?	6
Requirements for the tax credit for childcare expenses	7
Eligible child	9
Examples of childcare expenses that qualify for the tax credit	10
Examples of childcare expenses that do not qualify for the tax credit	12
Can the refundable tax credit for childcare expenses be paid in advance?	14
How to apply for advance payments of the tax credit	15

Did you know that you can claim a refundable tax credit for the childcare expenses that you pay?

Québec's personal income tax system includes several measures intended to reduce the tax payable on your family income. Under one such measure, the refundable tax credit for childcare expenses, a portion of your childcare expenses is reimbursed to you.

Note that **you cannot claim the tax credit for the parental contribution you paid for a subsidized childcare space**, that is:

- the contribution set by the government for subsidized educational childcare services provided by a childcare centre, a home childcare provider or a daycare centre; or
- the contribution set by the government for school daycare services.

To claim the tax credit for childcare expenses, you must file an income tax return and complete Schedule C. You do not have to submit the official information slip for childcare expenses (the RL-24 slip) given to you by the childcare provider that you paid the expenses to. However, you must keep it in case we ask for it.

As of 2022, **receipts for childcare expenses are no longer accepted**. Any childcare provider that you pay expenses to is required to give you an RL-24 slip so you can claim the tax credit.



Requirements for the tax credit for childcare expenses¹

You can claim a tax credit for childcare expenses paid for a taxation year if you meet **all** the following requirements:

- You were:
 - resident in Québec on December 31 of the taxation year concerned; or
 - resident in Canada, outside Québec, on December 31 of the taxation year concerned, and you carried on a business in Québec during that year.
- The childcare expenses were incurred while you or your spouse on December 31 of the taxation year concerned was:
 - carrying out the duties of an office or employment;
 - actively carrying on a business;
 - practising a profession;
 - carrying out research under a grant;
 - actively seeking employment;
 - attending an educational institution full-time or part-time; or
 - receiving benefits under the Québec parental insurance plan (QPIP) or benefits related to a birth or an adoption under the Employment Insurance plan.
- You or your spouse on December 31 of the taxation year concerned paid the childcare expenses.
- The childcare expenses were paid for an eligible child who was living with you (or with your spouse on December 31 of the taxation year concerned) at the time the expenses were incurred.

1. For complete information on the refundable tax credit for childcare expenses, see the instructions for line 455 in the guide to the income tax return (TP-1.G-V).



- The expenses were paid to an individual, a daycare centre, a holiday and recreation centre, a camp or a boarding school.
- The expenses **were not excluded expenses** (see “Examples of childcare expenses that do not qualify for the tax credit”).
- The childcare services were provided in Canada by a person resident in Canada, unless you were living outside Canada temporarily.

Anyone who provides or offers to provide childcare to a child who does not (and is not required to) attend school in return for a parental contribution must have a permit from the Ministère de la Famille or be recognized by a home childcare coordinating office. Note, however, that there are exceptions under the *Educational Childcare Act*.

Anyone offering childcare services without the required permit or recognition is operating illegally.



Eligible child

To be eligible for the tax credit, you must have paid the childcare expenses for a child who, **at any time during the taxation year concerned**, either:

- was no older than 16;² or
- had an infirmity and was your or your spouse's dependant (regardless of the child's age).

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 \$12,638.³

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).

2. For the 2022 taxation year, the child must have been born after December 31, 2005. For 2023, the child must have been born after December 31, 2006, and so on.

3. This is the amount for 2023. Note that the amount is indexed annually.



Examples of childcare expenses that qualify for the tax credit

The following expenses qualify for the tax credit:

- expenses paid to a daycare centre (including a home childcare provider) **that does not provide** subsidized childcare spaces;
- expenses paid to a home childcare provider **that offers** subsidized childcare spaces **on days when no childcare services are offered** (statutory holidays and vacation days);
- expenses paid to a school daycare service provider for a **pedagogical day, if the expenses incurred for that day exceed \$8.95⁴** (only the portion that exceeds \$8.95 gives entitlement to the tax credit);
- the expenses paid to a school daycare service provider for a childcare space that is not subsidized;
- expenses paid to a preschool education centre;⁵
- expenses paid to a nursery school;⁵
- expenses paid for educational workshops for preschool children only (the equivalent of a nursery school);⁵
- expenses paid to a kindergarten;⁵
- expenses paid to a kindergarten and daycare centre;⁵
- 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;
- expenses paid for a babysitter in the home (exceptions apply if the babysitter is a member of your family);

4. This is the amount for the 2022-2023 school year. Note that the amount is indexed annually.

5. Except for the parental contribution required for a subsidized childcare space.





- expenses for meals provided by a daycare service or camp, if those expenses are included in the cost of the services and are not billed separately;
- expenses paid to a boarding school or a camp, up to a maximum of
 - \$200 per week for a child under 7 years of age,
 - \$275 per week for a child with a severe and prolonged impairment in mental or physical functions (regardless of his or her age), or
 - \$125 per week for any other eligible child.

If your child has a subsidized childcare space and you must pay expenses in addition to the required parental contribution, the additional expenses may qualify for the credit. In that case, the childcare service provider must give you an RL-24 slip supporting the expenses giving entitlement to the credit.



Examples of childcare expenses that do not qualify for the tax credit⁶

The following expenses **do not qualify** for the tax credit:

- the parental contribution required for a subsidized childcare space, that is:
 - the contribution set by the government for subsidized educational childcare services provided by a childcare centre, a home childcare provider or a daycare centre, or
 - the contribution set by the government for school daycare services;
- the expenses paid to a childcare centre or a daycare centre (other than a home childcare provider) that offers subsidized childcare spaces on days when no childcare services are offered (statutory holidays and vacation days);
- 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;
- childcare expenses for which another person is claiming a tax credit for childcare expenses for the same child;
- expenses for meals (extra charges), unless meals are included in regular childcare costs;
- additional fees charged for field trips (such as an admission fee for an activity or transportation costs);

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



- 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 or the Ministère de l'Immigration, de la Francisation et de l'Intégration, and
 - 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 amount of the reimbursement is included in your income when you file your income tax return and cannot be deducted in the calculation of your taxable income.



Can the refundable tax credit for childcare expenses be paid in advance?

Yes. You can receive advance payments of the tax credit for childcare expenses instead of claiming the tax credit when you file your income tax return.

To receive advance payments of the tax credit for the year, you must file an application for advance payments. Make sure you meet the requirements listed above, as well as 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 more than \$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 with an establishment in Canada.

Advance payments of the tax credit will be made no later than the 15th day of each month.

To estimate the amount of the tax credit to which you are entitled, you must calculate your qualifying childcare expenses and multiply the result by the rate that applies based on your family income.



How to apply for advance payments of the tax credit

You can apply for advance payments of the tax credit for childcare expenses either online or by mail.

To apply **online**, use the online service in My Account (you have to be registered).

To apply **by mail**:

- complete form TPZ-1029.8.F-V, *Tax Credit for Childcare Expenses: Application for Advance Payments*;
- have the childcare services provider complete form TPZ-1029.8.F.A-V, *Childcare Expenses Qualifying for the Tax Credit: Fees and Number of Days of Care*; and
- mail the forms and the requested documents to us.

You must submit the forms and requested documents no later than October 15 of the year for which the application is made.

You can print the forms from our website or order them by telephone.

If you have a spouse, **only one of you** can apply for advance payments of the tax credit for childcare expenses.



IMPORTANT

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

To do so, you can either:

- use the online service in My Account (available at revenuquebec.ca) to change your advance payment information for the tax credit for childcare expenses; or
- complete form TPZ-1029.8.F.C-V, *Notice of Change in Situation: Advance Payments of the Tax Credit for Childcare Expenses*.

Note that if you choose to complete form TPZ-1029.8.F.C-V, you must file it by November 15 of the year concerned. You must send it to us with the required documents, if applicable, such as form TPZ-1029.8.F.A-V, *Childcare Expenses Qualifying for the Tax Credit: Fees and Number of Days of Care*.



TO CONTACT US

ONLINE

revenuquebec.ca



BY TELEPHONE

Individuals and individuals in business

Monday to Friday: 8:30 a.m. to 4:30 p.m.

Québec City

418 659-6299

Montréal

514 864-6299

Elsewhere

1 800 267-6299 (toll-free)

Businesses, employers and agents for consumption taxes

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

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

Québec City

418 659-4692

Montréal

514 873-4692

Elsewhere

1 800 567-4692 (toll-free)

Complaints – Bureau de la protection des droits de la clientèle

Monday to Friday: 8:30 a.m. to noon and 1:00 p.m. to 4:30 p.m.

Québec City

418 652-6159

Elsewhere

1 800 827-6159 (toll-free)

Individuals with a hearing impairment

Montréal

514 873-4455

Elsewhere

1 800 361-3795 (toll-free)

BY MAIL

Individuals and individuals in business

Montréal, Laval, Laurentides, Lanaudière and Montérégie

Direction principale des relations avec la clientèle des particuliers

Revenu Québec

C. P. 3000, succursale Place-Desjardins

Montréal (Québec) H5B 1A4

Québec City and other regions

Direction principale des relations avec la clientèle des particuliers

Revenu Québec

3800, rue de Marly

Québec (Québec) G1X 4A5

Businesses, employers and agents for consumption taxes

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

Direction principale des relations avec la clientèle des entreprises

Revenu Québec

C. P. 3000, succursale Place-Desjardins

Montréal (Québec) H5B 1A4

Québec City and other regions

Direction principale des relations avec la clientèle des entreprises

Revenu Québec

3800, rue de Marly

Québec (Québec) G1X 4A5

Complaints – Bureau de la protection des droits de la clientèle

Revenu Québec

3800, rue de Marly

Québec (Québec) G1X 4A5