STATUTORY INSTRUMENTS

2025 No. 51

INCOME TAX

The Income Tax (Indexation of Qualifying Care Relief Amounts) Order 2025

Made - - - - *21st January 2025*

The Treasury make this Order in discharge of the duty imposed by section 828A(4) of the Income Tax (Trading and Other Income) Act 2005(**1**).

Citation and interpretation

1.—(1) This Order may be cited as the Income Tax (Indexation of Qualifying Care Relief Amounts) Order 2025.

(2) This Order has effect for the tax year 2025-26 and subsequent tax years.

Indexation of qualifying care relief amounts

2. The Income Tax (Trading and Other Income) Act 2005(**2**) is amended as follows—

(a) in section 808(2) (the individual's limit: the fixed amount) for "£19,360" substitute "£19,690";

(b) in section 811(1A)(**3**) (the weekly amount for an adult) for "£485" substitute "£495";

(c) in section 811(2)(a) (the weekly amount for a child under 11 years old) for "£405" substitute "£415";

(d) in section 811(2)(b) (the weekly amount for an older child) for "£485" substitute "£495".

Jeff Smith
Nicholas Dakin
Two of the Lords Commissioners of His Majesty's Treasury

21st January 2025

(**1**) 2005 c. 5; section 828A was inserted by section 28(4) of the Finance (No. 2) Act 2023 (c. 30).
(**2**) The amounts in the sections amended by this Order were last substituted by S.I. 2024/423.
(**3**) Section 811(1A) was inserted by paragraph 12(2) of Schedule 1 to the Finance (No. 3) Act 2010 (c. 33).

EXPLANATORY NOTE

(This note is not part of the Order)

This Order fulfils the indexation requirements in section 828A (indexation of the fixed amount and the amount per adult and child) of the Income Tax (Trading and Other Income) Act 2005 (c. 5) in respect of qualifying care relief amounts, which are increased by reference to the consumer price index. This increase has effect for the tax year 2025-26 and subsequent tax years.

A Tax Information and Impact Note has not been prepared for this instrument as it gives effect to a previously announced policy and relates to routine changes to thresholds to a predetermined indexation formula.