

September 16, 2015

To subsidized childcare service providers in Native communities

Subject: New subsidized childcare contribution

Dear Madam or Sir:

On April 22, 2015, the legislation governing the subsidized educational childcare program was amended in order to ensure the funding and sustainability of Québec's educational childcare network. We understand your concerns about the changes, as well as those of your clients.

Subsidized childcare fees now include a basic parental contribution (currently \$7.30 per day, per child) paid to you directly by parents according to the terms of your childcare agreement, and an additional contribution collected by Revenu Québec. Generally speaking, all parents who are required to pay the basic contribution and whose family income for the current or previous year is more than \$50,000 will have to pay the additional contribution, which is based on family income, in their income tax return. In order for them to do so, you must give them an RL-30 slip, which we will provide more information about in the coming year.

Since the goal of the changes is to ensure that childcare fees are fair and reflect parents' ability to pay, administering the new measures requires the use of confidential information such as family income. That is why, in order to protect parents' privacy by making sure they do not have to disclose their income to their childcare providers, Revenu Québec—which already holds all the necessary information—will collect the additional contribution in their income tax returns.

Even though the additional contribution will be collected in the income tax return, it is not a tax—it is a subsidized childcare fee, and it will be used exclusively to fund educational childcare services. All amounts thus collected will be credited to the Educational Childcare Services Fund, which is dedicated exclusively to financing subsidized educational childcare services.

To help parents plan for the additional contribution throughout the year, a tool for estimating the amount of the additional contribution (the **Additional contribution for childcare expenses in 2015** calculator) is available on our website at www.mfa.gouv.qc.ca. We encourage all parents to use it, as well as the **Your daycare cost per day for 2015** calculator, to compare the estimated net cost of subsidized and non-subsidized childcare. You should know, however, that both tools, while useful, are simply meant to help guide them in making a decision and do not take into account the effects of, for example, RRSP deductions or income earned on a reserve.

An awareness campaign was launched in recent months; you will have received flyers and posters explaining the new measures. A similar campaign was also launched on the Ministère de la Famille and Revenu Québec websites with the coming into effect of the new measures. Lastly, please find attached to this letter a document containing information for subsidized childcare service providers.

For more information, go to our website at www.mfa.gouv.qc.ca.

Yours sincerely,

La Direction générale des services de garde éducatifs à l'enfance

Att. Information document for subsidized childcare providers

REVENU
QUÉBEC




ADDITIONAL CONTRIBUTION FOR SUBSIDIZED EDUCATIONAL CHILDCARE

2015

INFORMATION FOR CHILDCARE SERVICE PROVIDERS

www.revenuquebec.ca



**THE ADDITIONAL
CONTRIBUTION SERVES IN
ITS ENTIRETY TO FINANCE
SUBSIDIZED EDUCATIONAL
CHILDCARE SERVICES THROUGH
THE EDUCATIONAL CHILDCARE
SERVICES FUND.**

Changes in subsidized childcare rates came into force on April 22, 2015. The rate now includes:

- a **basic contribution** of \$7.30 per day, per child, payable directly to the childcare service provider; and
- an **additional contribution**, adjusted to parents' family income, payable when filing the income tax return for 2015 and subsequent taxation years.

To help parents determine the amount of the additional contribution they will have to pay when filing their 2015 income tax returns, holders of childcare centre or daycare centre permits and home childcare coordinating offices must issue RL-30 slips no later than February 29, 2016. The slip must be sent to Revenu Québec and to every parent who has signed a subsidized educational childcare agreement. Coordinating offices must issue RL-30 slips on behalf of home childcare providers to whom they have attributed subsidized spaces.

NOTE

- The additional contribution does not apply to childcare services provided at school.
- Individuals responsible for a family-type resource may be subject to the additional contribution in respect of their own children as well as those they take in, if their family income for the current or previous year is greater than \$50,000.
- The additional contribution is not a tax—it is an amount paid for subsidized educational childcare. All amounts thus collected by Revenu Québec will be credited to the Educational Childcare Services Fund, which is dedicated exclusively to financing subsidized educational childcare services.



SUBSIDIZED CHILDCARE SERVICE AGREEMENTS

All parents who sign a subsidized educational childcare agreement must pay the basic contribution and, if applicable, the additional contribution. The information in the agreement must be reproduced in the RL-30 slip issued to the parent.

In the agreement, parents can split the number of days of care for which they will be required to pay the basic contribution (and, if applicable, the additional contribution) for a single child. For more information, see [Entente de services](#) (in French only) on the Ministère de la Famille website.

RL-30 SLIP

Required information

See the *Guide to Filing the RL-30 Slip* ([RL-30.G-V](#)) for full instructions on filing the RL-30 slip.

In order to prepare the RL-30 slip, you will need the following information about every parent who signed a subsidized childcare agreement:

- name
- address
- social insurance number
- the number of days **after April 21, 2015**, for which he or she is required to pay the basic contribution, for each child who received subsidized educational childcare (see the notes on the next page)

IMPORTANT

Under the *Tax Administration Act*, you will incur a penalty if you file the RL-30 slip after the deadline.

When filing the RL-30 slip, you must make a reasonable effort to obtain the required information. If you fail to provide required information, you are liable to a penalty of \$100.

Number of days of childcare

For every child who received subsidized educational childcare, you must enter the number of days **after April 21, 2015**, for which the parent was required to pay the basic contribution under a subsidized educational childcare agreement. However, **do not include**:

- days of childcare for which the basic contribution had to be paid for a child in preschool or elementary school because the child could not receive childcare at school;
- days on which the childcare provider did not offer childcare;¹
- days of childcare for which a parent was exempted from paying the basic contribution.

NOTE

For purposes of the additional contribution, half-days for which a parent is required to pay the basic contribution are considered to be full days.

Example 1

Mark and Sarah are spouses. On September 1, 2014, Mark signed a subsidized educational childcare agreement with a childcare centre providing for childcare five days per week for the couple's daughter, Leah. He renewed the agreement on September 1, 2015. Between the two agreements, Mark is required to pay the basic contribution for a total of 182 days of childcare after April 21, 2015.

On the RL-30 slip it issues Mark, the childcare centre must enter the result of the following calculation: the number of days of childcare after April 21, 2015, for which Mark was required to pay the basic contribution, **minus** the number of days after that date on which the childcare centre was closed but for which Mark still had to pay the basic contribution.

1. There is no additional contribution to pay for days on which the childcare service provider is closed, even if the parent paid the basic contribution for the day.

Example 2

Will and Eva are spouses. They have three children: Sophie, Emma and Thomas. On September 1, 2014, Will signed a subsidized educational childcare agreement with a home childcare provider recognized by a coordinating office for each of the three children. The agreements provide for childcare five days per week for all three children. On September 1, 2015, Eva renewed the agreement with the same terms, but only for Sophie and Emma. Each of the three agreements that Will signed provides for 94 days of childcare after April 21, 2015, for which he must pay the basic contribution. As for Eva, each of the two agreements she signed provides for 88 days of childcare after April 21, 2015, for which she must pay the basic contribution.

The coordinating office must, on behalf of the recognized home childcare provider, issue Will an RL-30 slip on which the number of days of childcare for each of the three children is the result of the following calculation: the number of days from April 22 to August 31, 2015, for which Will was required to pay the basic contribution, **minus** the number of days in that same period on which the home childcare provider was closed but for which Will still had to pay the basic contribution.

The coordinating office must also issue Eva an RL-30 slip on which the number of days of childcare for Sophie and Emma is the result of the following calculation: the number of days from September 1 to December 31, 2015, for which Eva was required to pay the basic contribution, **minus** the number of days in that same period on which the home childcare provider was closed but for which she still had to pay the basic contribution.

Example 3

Sergio and his former spouse, Nathalie, jointly signed a subsidized educational childcare agreement with a private subsidized daycare centre for their son, Xavier. Under the agreement, Xavier receives childcare five days per week, and Sergio and Nathalie each pay an equal share of the childcare expenses. The agreement was signed on September 1, 2014, and renewed on September 1 of the following year with the same terms. In total, the agreements provide for 182 days of childcare after April 21, 2015, for which the two parents must pay, in equal shares, the basic contribution.

The daycare centre must issue Sergio and Nathalie each an RL-30 slip on which the number of days of childcare is the result of the following calculation: the number of days attributed to each parent in the agreement for purposes of calculating the basic contribution, **minus** the number of days included in the period from April 22 to December 31, 2015, on which the daycare centre was closed but for which the basic contribution still had to be paid.

Filing RL slips with Revenu Québec

If you are filing more than 50 RL-30 slips, you must send them to us online (in an XML file).

If you are filing fewer than 51 RL-30 slips, you can either send them to us online (in an XML file) or mail **copy 1** of each paper RL slip to us.

If you send us the RL slips online, do not mail us copy 1 of the paper slips. However, be sure to keep the RL slips on a technology-based medium or keep paper copies of the slips, as applicable.

Send the documents that you file with us to one of the following addresses:

- 3800, rue de Marly, Québec (Québec) G1X 4A5
- C. P. 3000, succursale Place-Desjardins, Montréal (Québec) H5B 1A4

For more information on filing RL slips online, contact the Division de l'acquisition des données électroniques by calling 418 659-1020 or, toll free, 1 866 814-8392, or by sending an email to edi@revenuquebec.ca.

We also recommend that you consult the *Tax Preparers' Guide: RL Slips (ED-425-V)*, which is available on our website.

KEY DATES

April 22, 2015	Additional contribution comes into effect
December 31, 2015	Last day of childcare to be entered on the RL-30 slip for 2015
February 29, 2016	Deadline for sending RL-30 slips to Revenu Québec and parents

REMINDER CONCERNING THE RL-24 SLIP

For full instructions on filing the RL-24 slip, see the RL-24 Summary (form [RL-24.S-V](#)).

Every person who holds a permit issued under the *Educational Childcare Act* or is recognized as a home childcare provider by a home childcare coordinating office is required to file an RL-24 slip for every parent who paid childcare fees that qualify for the tax credit for childcare expenses.

Expenses that qualify for the tax credit include:

- additional expenses paid for overtime childcare
- expenses paid for days of care to which the reduced contribution does not apply

Expenses that do not qualify for the tax credit include:

- the reduced contribution set by the government and the additional contribution
- additional fees charged for field trips (such as admission fees or transportation costs)
- penalties charged for the late payment of childcare fees

NOTE

You are not required to issue RL-24 slips to parents who paid only the reduced contribution set by the government.



TO CONTACT US

Online

www.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)
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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)
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Complaints – Direction du traitement des plaintes

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

Québec City 418 652-6159	Elsewhere 1 800 827-6159 (toll-free)
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Individuals with a hearing impairment

Montréal 514 873-4455	Elsewhere 1 800 361-3795 (toll-free)
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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 – Direction du traitement des plaintes

Revenu Québec
3800, rue de Marly, secteur 2-2-4
Québec (Québec) G1X 4A5