



# HM Revenue & Customs

Graeme McAlister

By email: [graeme.mcalister@childminding.org](mailto:graeme.mcalister@childminding.org)

**Information Rights Unit**  
S1727  
Eighth Floor  
Central Mail Unit  
Newcastle Upon Tyne  
NE98 1ZZ

**Email** [foi.request@hmrc.gov.uk](mailto:foi.request@hmrc.gov.uk)

**Web** [www.gov.uk](http://www.gov.uk)

Date: 10 March 2026  
Our ref: FOI2026/14415 and FOI2026/14377

Dear Graeme McAlister

## **Freedom of Information Act 2000 (FOIA)**

Thank you for your requests for information, which we received on 12 February for the following information:

### **FOI2026/14415**

"I am writing to you to submit a Freedom of Information request to provide copies of all correspondence (letters and e-mails) and notes of meetings between HMRC staff and the Department of Education and others throughout the UK within the last 5 years on the subject of childminders' 'wear and tear' tax-free agreement including -

- \* consultation with others about changes;
- \* the emergence of childminding on non-domestic premises; and
- \* the decision to change the 'wear and tear' agreement as part of the implementation of Making Tax Digital."

### **FOI2026/14377**

"I am writing to make a Freedom of Information (FOI) request to receive copies of all impact assessment(s) undertaken by HMRC and/or any consultants engaged by them to assess the impact on the childminding sector in the UK (or at country level if conducted at England, Scotland, Wales or Northern Ireland level) of -

- \* the implementation of Making Tax Digital as a policy;
- \* the phased implementation qualifying income bandings - 2026/27 (£50,000+), 2027/28 (£30,000+), 2028/29 (£20,000+); and
- \* the impact of removing the 'wear and tear' allowance for childminders using Making Tax Digital"

---

If you need extra support, for example if you have a disability, a mental health condition, or do not speak English/Welsh, go to [www.gov.uk](http://www.gov.uk) and search for 'get help from HMRC'.  
Text Relay service prefix number – 18001

08/25

OFFICIAL

## Our response

We can confirm that we hold some of the information you seek for FOI2026/14415 and FOI2026/14377. However, providing the information held would exceed the FOIA cost limit. We have therefore refused your request under [section 12\(1\)](#) of the FOIA.

Section 12(1) FOIA allows a public authority to refuse to comply with a request for information if the authority estimates that the cost of compliance would exceed the 'appropriate limit', as defined by the Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004 (the Regulations). In the case of HMRC this is £600, or 24 hours charged at £25 per hour.

Regulation 4(3) of the Fees Regulations allows the following activities to be taken into account when calculating the cost of compliance:

- determining whether the information is held;
- locating the information, or a document which may contain the information;
- retrieving the information, or a document containing it; and
- extracting the information from the document containing it.

Under section 12(4) of the FOIA, with reference to regulation 5 of the Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004, when estimating the cost of complying, HMRC may aggregate two or more requests where:

- the requests are made by one person, or by different persons who appear to the public authority to be acting in concert or in pursuance of a campaign;
- the requests relate, to any extent, to the same or similar information; and
- the requests are received by the public authority within any period of 60 consecutive working days.

On 12 February you submitted 2 separate FOI requests, both regarding Making Tax Digital (MTD), and more specifically, childminding. These submissions were combined into one request, as permitted by the legislation stated above, and refused on the grounds that to answer them would exceed the FOIA cost limit.

Both requests are very broad and would involve considerable work to answer, even if considered individually.

For example, you have requested "all communications" between HMRC, the Department of Education "and others" over a five-year period for three different topics involving childminding. Such information would not be held centrally, so to answer in full and be FOIA compliant would require us to identify, locate and compile every email, letter and note produced by all members of staff who may have been involved in any of the three subjects over the five-year period. This alone would far exceed the cost limit to answer in full.

For your request for impact assessments and consultations, no time period has been specified. This would require us to search all potentially relevant records held within our [retention policies](#) to identify any within scope of your questions. This would require detailed, manual assessment of documents, and like the search for emails, could not be compiled with an automated process. However, we are able to confirm that there is no record of any specific assessment on the impact of the phased implementation of MTD by income bands on the childminding sector. As such, this information is not held.

For the reasons stated above, your requests have been aggregated and the information that is held has been refused under section 12(1) and (4).

## Advise and Assistance

When refusing a request under the cost limit, [section 16](#) of the FOIA requires that we provide advice to help you draft a revised request. We have therefore considered whether your request can be narrowed or refined in a way that could be answered within the cost limit.

A request which focused on one specific topic and correspondence type, within a shorter time period may fall within the cost limit under section 12(1) of the FOIA. However, any information that we can provide within the cost limit may still be subject to further exemptions upon review. If you wish to submit a narrowed request you may do so, taking the above information into consideration.

## Outside of the FOIA

Although we are unable to answer your FOIA request, we can provide some information on a discretionary basis.

With regard to your request for information on the implementation of MTD as a policy, HMRC has assessed the potential impact of MTD for Income Tax on different customer groups, including self-employed individuals, small businesses, and landlords. These assessments are published in the form of a Tax Information and Impact Note (TIIN).

The latest published assessment is available at:

[Extension of Making Tax Digital for Income Tax Self Assessment to sole traders and landlords - GOV.UK](#)

Previously published assessments are available at:

[Extension of Making Tax Digital for Income Tax Self-Assessment to Businesses and Landlords - GOV.UK](#)

There is no record of any specific assessment on the impact of implementing the MTD policy on the childminding sector.

With regard to your request for information on the phased implementation of the qualifying income bandings, from April, sole traders and landlords with qualifying income above £50,000 will need to use MTD for Income Tax. This threshold will reduce to £30,000 in April 2027 and to £20,000 in April 2028.

The latest published technical note is available at:

[Technical note: Modernising the tax system through Making Tax Digital - GOV.UK](#)

MTD helps taxpayers pay the right amount of tax by encouraging timely and accurate record keeping, with digital prompts (where supported) pointing out errors or missing entries. Through reducing errors and improving accuracy in returns, MTD is expected to raise around £3bn in additional tax revenue by 2030-31.

If you are not satisfied with our reply, you may request a review within 40 working days of receiving this letter by emailing [informationrightsunit@hmrc.gov.uk](mailto:informationrightsunit@hmrc.gov.uk) or by writing to our address at the top.

If you are not content with the outcome of an internal review you can [complain to the Information Commissioner's Office](#).

Yours sincerely,

