

Ian Murray MP warns of the Tax Credits Bombshell

Ian Murray MP joined shopworkers union Usdaw and national charities campaigning against the £3,870 'Tax Credits Bombshell' that the Government is set to drop on 185 low-income families in Edinburgh South on 6 April.

In just a few weeks' time, couples with children who currently work between 16 and 24 hours a week will have to increase their hours of work to 24 hours a week, or face losing a staggering £3,870 in tax credits. Ian Murray MP said:-

"The Government doesn't seem to realise that extra hours of work, or alternative jobs are just not available for most people at the moment because unemployment is so high and many employers are having to cut costs.

"Yet the Government plan to punish families on low incomes who can't find extra hours of work by taking nearly £4,000 from them in just a few weeks' time. This is an enormous amount for anyone to lose, and will mean families losing their homes, struggling to afford even food and fuel costs. It is unbelievable that the Government plan to do this to low-income families at the same time as considering abolishing the 50p rate of tax to help people earning over £150,000!

"The Government's own figures show that after 6 April many of these families would be hundreds of pounds better off on benefits than in work so I am calling on the Government to postpone this change until there are more jobs available. For the sake of all the families in this constituency, as well as over 200,000 couples across the UK, I hope that they will do so before it is too late."

John Hannett, Usdaw General Secretary is grateful to Ian Murray MP for his support, and commented:-

“Thousands of Usdaw’s members are faced with losing over 20% of their total household income, just because they are unable to find extra hours of work at a time when so few jobs are available.

“Nationally, over 200,000 couples with 470,000 children will be affected by these changes to tax credit rules, meaning nearly half a million more children could end up in poverty in April because of the actions of this Government.

“When Universal Credit is introduced in 18 months’ time, there will be no rules for minimum hours of work. So these families are being forced into hardship for 18 months in a way that will bring no long-term benefit to the taxpayer.

“Usdaw are doing all we can to support our members affected by these changes and we are very grateful for Ian Murray’s assistance.”

The changes to tax credits affect couples with children. From 6 April, couples will have to work 24 hours a week in total between them to qualify for Working Tax Credit.

Ian Murray offers this advice:-

If you are concerned that you may be affected by the changes:

1. Find out if you are affected – ring the tax credits helpline on 0845 300 3900

2. If you need to find extra work, ask your employer or at the Job Centre.

3. Make sure you are getting the support you are entitled to. See the online Benefits Advisor on the Direct Gov website to check: www.direct.gov.uk

4. *Let me know how these changes to tax credits will affect you and your family – please write or email me ...*