

# BENEFITS AND TAX CREDITS FOR STUDENTS



Child Poverty Action Group works on behalf of the one in four children in Scotland growing up in poverty. It doesn't have to be like this. We use our understanding of what causes poverty and the impact it has on children's lives to campaign for policies that will prevent and solve poverty – for good.

We provide training, advice and information to make sure low income families get the financial support they need.

# BENEFITS AND TAX CREDITS FOR STUDENTS

## WHAT BENEFITS ARE THERE?

- Benefits for basic living costs - income support, jobseeker's allowance
- To help pay for rent - housing benefit
- For costs of children - child benefit, child tax credit
- To top up low paid work - working tax credit
- A new benefit, universal credit, replacing the benefits listed above
- Other benefits for specific purposes, e.g. employment and support allowance (ESA) for ill or disabled people, carer's allowance for people caring for disabled people, personal independence payment for disability costs.

## WHAT BENEFITS CAN STUDENTS GET?

Special rules restrict full-time students from claiming most benefits. They are expected to fund themselves through student funding, e.g. loans and grants, rather than benefits. Working out who is full-time and who is part-time, particularly in further education, is complicated. See CPAG's *Benefits for Students in Scotland Handbook* (details on page 4) for more information.

Part-time students can usually continue to get their benefits as before.

Full-time students usually cannot get benefits, but there are exceptions. These exceptions mainly apply to those who are vulnerable in some way e.g. parents, disabled students, young people with no parental support.

Some benefits are not affected by studying. The main ones unaffected are child and working tax credits, and child benefit.

**This information is very general, and aims to highlight which students may be eligible for benefits. Anyone on benefits considering studying should seek accurate, full advice about entitlement, for example from their local citizens advice bureau or other advice agency.**

## MAIN GROUPS OF FULL-TIME STUDENTS WHO CAN CLAIM BENEFITS

The following groups can usually claim, but see the next section for how student funding might affect the amount of benefit paid.

- **lone parents** (income support (usually only if you have a child under five), housing benefit, child tax credit, child benefit).
- **disabled students** (housing benefit, employment and support allowance, personal independence payment)
- **student couples with a child** (housing benefit; jobseeker's allowance or possibly income support over the summer)
- **parent student with a non student partner** (housing benefit) (NB the non-student partner must make the claim)
- **young people in further education**
  - housing benefit, if you are liable for rent and are under 21 (or 21 and turned 21 on your course)
  - income support if you are without parental support and are estranged, orphaned, etc, and are under 21 (or 21 and turned 21 on your course)
  - income support if you are a parent and under 19 (or 19 and turned 19 after you were accepted on or started the course)
  - if you are not claiming benefits, your parents may be able to get child tax credit, child benefit, etc. for you
- parent students, disabled students and some young people in further education may be able to claim **universal credit** (see CPAG's 'Universal Credit and Students' factsheet). Universal credit is being gradually rolled out - see CPAG's 'Universal Credit' factsheet for more details.

## EFFECT OF STUDENT FUNDING ON BENEFITS

Income support, jobseeker's allowance, income-related ESA, housing benefit and universal credit are affected by most income that someone has. Loans and bursaries count as income. Education maintenance allowance does not count as income. Tax credits are not usually affected by student funding.

### EXAMPLE

*Leona is a lone parent in further education. She gets income support and housing benefit, as well as child benefit and child tax credit. She gets an EMA, and her benefits are not affected.*

*Leona moves onto a course of higher education and gets a student loan. Her income support and housing benefit are affected, meaning that she no longer gets any income support and she gets a reduced amount of housing benefit.*

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## CHILD POVERTY ACTION GROUP IN SCOTLAND

Advice line for frontline advisers and support workers  
0141 552 0552  
Monday – Thursday 10am – 4pm; Friday 10am – 12 noon

**Email:** [advice@cpagscotland.org.uk](mailto:advice@cpagscotland.org.uk)

CPAG in Scotland advice line is only for advisers. If you are a student or thinking of doing a course of education and are in need of advice, contact your college/university student welfare services, or your local Citizens Advice Bureau.

### FURTHER INFORMATION

- CPAG in Scotland's Benefits for Students Project go to [www.cpag.org.uk/scotland/students-and-benefits-project](http://www.cpag.org.uk/scotland/students-and-benefits-project)
- CPAG in Scotland's free online Benefits for Students in Scotland Handbook go to [www.onlinepublications.cpag.org.uk](http://www.onlinepublications.cpag.org.uk)
- View our full range of factsheets online at: [www.cpag.org.uk/scotland/factsheets](http://www.cpag.org.uk/scotland/factsheets)
- CPAG publishes the Welfare Benefits and Tax Credits Handbook, a comprehensive guide to benefits and tax credit for claimants and advisers. Find out more at: [www.cpag.org.uk/bookshop](http://www.cpag.org.uk/bookshop)
- We run a wide range of training courses on students and benefits for workers of different levels of experience. Find out more at: [www.cpag.org.uk/scotland/training](http://www.cpag.org.uk/scotland/training)
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**CHILD  
POVERTY  
ACTION  
GROUP**  
IN SCOTLAND

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