

Hello Jeremy,

Forgive me if this has already been suggested.

In the UK, some companies, under a Government scheme, offer a 'salary sacrifice' scheme for vouchers towards nursery education in registered nursery providers.

A set amount (up to a maximum of around ?200-?250, I can't remember the exact amount) can be deducted from an employee's gross salary and converted into a nursery allowance. This effectively becomes a tax-free allowance so the employee's money goes further for the nursery.

This is especially beneficial to working couples, which is essentially the main demographic for this issue, as they potentially could both claim their allowance and have around ?500 tax-free child-care vouchers per month.

Clearly there is a cost to the public purse but only to the tune of the 20% tax rather than the whole cost of nursery.

Perhaps a compromise could be a reduced percentage paid for by the States with the rest being paid for via the tax-free salary sacrifice system.

It worked really well for us in the UK and made a huge difference despite us earning close to 100k between us.

Thanks for reading,

All the best,