

KID TAX FURY

SCRAPPING tax relief on child-care will cost British business £130million a year, it was claimed last night.

Gordon Brown sparked fury last month by announcing plans to ditch childcare vouchers, a move which would rob families of up to £2,400 a year each.

The warning on the cost to business came from Computer-share Voucher Services, which said firms would lose out because they would no longer benefit

from savings on National Insurance. Boss Simon Moore said: "The impact this policy will have on hundreds of thousands of parents will be devastating."

Vouchers allow parents to have cash sent direct from their wages to nurseries without paying tax.

Last night the Government denied vouchers were being abolished but admitted tax relief was to be "phased out" over five years.