STATUTORY INSTRUMENTS

2017 No. 781

SOCIAL SECURITY

The Tax Credits (Exercise of Functions in relation to Northern Ireland and Notices for Recovery of Tax Credit Overpayments) Order 2017

Made - - - -	*19th July 2017*
Laid before Parliament	*26th July 2017*
Coming into force - -	*25th September 2017*

At the Court at Buckingham Palace, the 19th day of July 2017

Present,

The Queen's Most Excellent Majesty in Council

This Order in Council is made in exercise of the powers conferred by section 126(3)(b)(i) and (ii), (5)(a) and (9) of the Welfare Reform Act 2012(**1**).

Accordingly, Her Majesty is pleased, by and with the advice of Her Privy Council, to order as follows.

Citation and commencement

1. This Order may be cited as the Tax Credits (Exercise of Functions in relation to Northern Ireland and Notices for Recovery of Tax Credit Overpayments) Order 2017 and comes into force on 25th September 2017.

Interpretation

2.—(1) In this Order—

"the 2002 Act" means the Tax Credits Act 2002(**2**);

"the Administration (Northern Ireland) Act" means the Social Security Administration (Northern Ireland) Act 1992(**3**);

(**1**) 2012 c.5.
(**2**) 2002 c.21. Part 1 of that Act (which includes sections 29, 31, 32 and 37) is repealed by Schedule 14 to the Welfare Reform Act 2012 from a date to be appointed.
(**3**) 1992 c.8.

"the 2016 Regulations" means the Social Security (Overpayments and Recovery) Regulations (Northern Ireland) 2016(**4**);

"notice" means a notice given under section 29 of the 2002 Act (recovery of overpayments);

"penalty" means a penalty imposed under section 31 of the 2002 Act (incorrect statements etc.) or section 32 of that Act (failure to comply with requirements).

(2) Any interest carried under section 37 of the 2002 Act (interest) on an amount specified in a notice or on a penalty is to be regarded for the purposes of articles 3 to 5 as if it were specified in the notice or formed part of the penalty respectively.

Application of the Administration (Northern Ireland) Act

3.—(1) Subject to paragraph (2), the amount specified in a notice or, as the case may be, the amount of a penalty is, for the purposes of the Administration (Northern Ireland) Act, to be treated as if it were an amount recoverable under section 69ZB of that Act(**5**).

(2) Section 69ZB of the Administration (Northern Ireland) Act has effect in relation to the amount specified in a notice or, as the case may be, the amount of a penalty, as if subsection (3) were omitted.

Application of the 2016 Regulations

4. For the purposes of the 2016 Regulations—

(a) the amount specified in a notice is to be treated as if it were an overpayment as defined in regulation 2(1) of those Regulations;

(b) the amount of a penalty is to be treated as if it were an amount recoverable under a provision of the Administration (Northern Ireland) Act specified in regulation 3(2) of those Regulations.

Amendment of the 2016 Regulations

5. In regulation 2(1) of the 2016 Regulations (interpretation), in the definition of "overpayment", omit paragraph (b).

Amendment of the 2002 Act

6.—(1) The 2002 Act is amended as follows.

(2) In section 28 (overpayments)—

(a) in subsection (1), for "Board may" substitute "Commissioners may";

(b) also in subsection (1), for "repaid to the Board" substitute—

"—

(a) repaid to the Commissioners; or

(b) treated as if it were an amount recoverable by the Secretary of State under section 71ZB of the Administration Act(**6**) or (as the case may be) by the relevant Northern Ireland Department under section 69ZB of the Administration (Northern Ireland) Act";

(c) in subsection (3), for the words from "the amount" to the end substitute "to the Commissioners, the Secretary of State or (as the case may be) the relevant Northern Ireland

(**4**) S.R. 2016 No. 224.
(**5**) Section 69ZB is inserted by article 109(1) of the Welfare Reform (Northern Ireland) Order 2015 (No.2006 (N.I.1)).
(**6**) Section 71ZB is inserted by section 105(1) of the Welfare Reform Act 2012.