STATUTORY INSTRUMENTS

2016 No. 360

SOCIAL SECURITY
TAX CREDITS

The Tax Credits and Child Benefit (Miscellaneous Amendments) Regulations 2016

Made - - - -	*14th March 2016*
Laid before Parliament	*15th March 2016*
Coming into force - -	*6th April 2016*

The Treasury, in exercise of the powers conferred upon them by sections 7(8) and (9), 8(2), 12(4), 65(1) and (7) and 67(**1**) of the Tax Credits Act 2002(**2**) and the powers conferred by sections 142(2) and 175 of, and paragraph 1 of Schedule 9 to, the Social Security Contributions and Benefits Act 1992(**3**) and sections 138(2) and 171 of, and paragraph 1(1) of Schedule 9 to, the Social Security Contributions and Benefits (Northern Ireland) Act 1992(**4**) and now exercisable by them(**5**), and the Commissioners for Her Majesty's Revenue and Customs, in exercise of the powers conferred by sections 29(4), 65(2) and (7) and 67(**6**) of the Tax Credits Act 2002, make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Tax Credits and Child Benefit (Miscellaneous Amendments) Regulations 2016 and come into force on 6th April 2016.

(**1**) See the definition of "prescribed".
(**2**) 2002 c.21.
(**3**) 1992 c.4; section 142 was substituted by the Child Benefit Act 2005 (c.4), section 1(2); paragraph 1 of Schedule 9 was amended by the Child Benefit Act 2005, Schedule 1, paragraphs 1 and 17(1) and (2).
(**4**) 1992 c.7; section 138 was substituted by the Child Benefit Act 2005 (c.4), section 2(2); paragraph 1 of Schedule 9 was amended by the Child Benefit Act 2005, Schedule 1, paragraphs 27 and 43(2)(a) and S.I. 1998/1504, Schedule 5, paragraph 40.
(**5**) The powers of the Secretary of State under paragraph 1 of Schedule 9 to the Social Security Contributions and Benefits Act 1992 were transferred to the Treasury by section 49(1)(b) of the Tax Credits Act 2002. The powers of the Department for Social Development in Northern Ireland under paragraph 1(1) of Schedule 9 to the Social Security Contributions and Benefits (Northern Ireland) Act 1992 were transferred to the Treasury by section 49(2)(b) of the Tax Credits Act 2002.
(**6**) See the definitions of "the Board" and "prescribed". The functions of the Commissioners of Inland Revenue under section 29(4) (read with sections 65 and 67) were transferred to the Commissioners for Her Majesty's Revenue and Customs by section 5 of the Commissioners for Revenue and Customs Act 2005 (c.11). Section 50(1) of that Act provides that, in so far as is appropriate in consequence of section 5, a reference, howsoever expressed, to the Commissioners of Inland Revenue is to be taken as a reference to the Commissioners for Her Majesty's Revenue and Customs.

Amendment of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002

2.—(1) The Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002(**7**) are amended as follows.

(2) In regulation 5(1), omit paragraph (ea)(**8**).

(3) In regulation 14(2)(a), substitute the following for paragraph (vii)—

"(vii) by a carer provided by a person who is a service provider within the meaning of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014(**9**) in relation to the regulated activity of personal care within paragraph 1 of Schedule 1 to those Regulations;".

Amendment of the Tax Credits (Definition and Calculation of Income) Regulations 2002

3.—(1) The Tax Credits (Definition and Calculation of Income) Regulations 2002(**10**) are amended as follows.

(2) In regulation 7(3), Table 3, item 21A(**11**) (disregard of statutory paternity pay in calculating social security income), after "statutory paternity pay" omit "and".

(3) In regulation 12(3) (disregards in calculating foreign income), after sub-paragraph (aa)(**12**), insert—

"(bb) any pension, annuity, allowance or other payment provided in accordance with the provisions of the scheme established under the law of the Netherlands and known as *Wet uitkeringen vervolgingsslachtoffers 1940-1945* (Netherlands Benefit Act for Victims of Persecution 1940-1945).".

(4) In regulation 19 (general disregards in the calculation of income)—

(a) in Table 6, item 14, before "or section 8" insert ", sections 50 to 53 of the Social Services and Well-being (Wales) Act 2014(**13**)";

(b) in Table 8, item 3(dza)(**14**), after "support)" insert "or section 35 or 36 of the Social Services and Well-being (Wales) Act 2014 (duty and power to meet care and support needs of an adult)".

Amendment of the Child Tax Credit Regulations 2002

4.—(1) The Child Tax Credit Regulations 2002(**15**) are amended as follows.

(2) In regulation 2(1) (interpretation), in the definition of "looked after by a local authority", after "1989," insert "section 74 of the Social Services and Well-being (Wales) Act 2014,".

(3) In regulation 3(1) (circumstances in which a person is or is not responsible for a child or qualifying young person), in Rule 4.1—

(a) in Case A—

(i) before "Part II of the Children (Scotland)" insert "Parts 4 or 6 of the Social Services and Well-being (Wales) Act 2014,";

(ii) omit "or section 23";

(**7**) S.I. 2002/2005; relevant amending instruments are S.I. 2008/604, 2010/2494, 2015/146.
(**8**) paragraph (ea) was inserted by S.I. 2010/2494 and amended by S.I. 2015/146.
(**9**) S.I. 2014/2936, to which there are amendments not relevant to these Regulations. "Service provider" is defined by regulation 2(1).
(**10**) S.I. 2002/2006; relevant amending instruments are S.I. 2003/732, 2007/824, 2010/2494, 2014/3255.
(**11**) Item 21A was inserted by S.I. 2003/732.
(**12**) Sub-paragraph (aa) was inserted by S.I. 2007/824.
(**13**) 2014 anaw. 4.
(**14**) Paragraph 3(dza) was inserted by 2015/643.
(**15**) S.I. 2002/2007; amended by S.I. 2011/1740, 2012/848; there are other amending instruments but none is relevant.

(iii) before "or regulation 33" insert "or section 81(13) of the Social Services and Well-being (Wales) Act 2014".

(b) in Case B—

(i) omit "or section 23";

(ii) before "regulation 33" insert "section 81(13) of the Social Services and Well-being (Wales) Act 2014,".

Amendment of the Tax Credits (Payments by the Commissioners) Regulations 2002

5.—(1) The Tax Credits (Payments by the Commissioners) Regulations 2002(**16**) are amended as follows.

(2) In regulation 12A (recovery of overpayments of tax credit from other payments of tax credit)—

(a) in paragraph (2)(c), for "25%" substitute "the income-related percentage";

(b) After regulation 12A(2) insert—

"(2A) In paragraph (2)(c), "the income-related percentage" means—

(a) 50% if annual income exceeds £20,000; and

(b) 25% in any other case.

(2B) For the purposes of paragraph (2A)(a), "annual income"—

(a) means the annual income of the person or, in the case of a joint claim, the aggregate annual income of the persons, mentioned in paragraph (2)(c); and

(b) is to be taken to be the amount that the Commissioners are for the time being treating that income to be for the purposes of Part 1 of the Act, regardless of whether that amount is also "the relevant income" (as defined by section 7(3) of the Act) on which the entitlement to the tax credit mentioned in paragraph (2)(c) is dependent.".

Amendment of the Child Benefit (General) Regulations 2006

6.—(1) The Child Benefit (General) Regulations 2006(**17**) are amended as follows.

(2) In regulation 1(3) (interpretation), in the definition of "approved training", in paragraph (b) omit ""Skillbuild", "Skillbuild+" or".

(3) In regulation 16 (child or qualifying young persons in detention, care etc)—

(a) in paragraph (3)(a)—

(i) at the end of paragraph (v) omit "or";

(ii) at the end of paragraph (vi) insert "or";

(iii) after paragraph (vi) insert—

"(vii) Parts 4 and 6 of the Social Services and Well-being (Wales) Act 2014 and any regulations made under those parts,";

(iv) omit "or 23";

(**16**) S.I. 2002/2173; amended by S.I. 2004/762; there are other amending instruments but none is relevant.
(**17**) S.I. 2006/223; amended by S.I. 2012/818; there are other amending instruments but none is relevant.