Draft Regulations laid before Parliament under section 28(5) of the Child Trust Funds Act 2004, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2010 No.

CHILD TRUST FUNDS

The Child Trust Funds (Amendment No. 3) Regulations 2010

Made - - - - ***

Coming into force in accordance with regulation 1

A draft of this instrument has been laid before Parliament in accordance with section 28(5) of the Child Trust Funds Act 2004(**1**) and approved by a resolution of each House of Parliament.

Accordingly, the Treasury make the following Regulations in exercise of the powers conferred by sections 8(1), 9(2), 10 and 28(1) to (3) of the Child Trust Funds Act 2004:

Citation, commencement and effect

1.—(1) These Regulations may be cited as the Child Trust Funds (Amendment No. 3) Regulations 2010.

(2) These regulations, other than regulation 3, shall come into force—

(a) on 1st August 2010; or

(b) if later, on the day following the day on which these Regulations are made.

(3) Regulation 3 shall come into force—

(a) on 2nd August 2010; or

(b) if later, on the first Monday following the day on which these Regulations are made.

(4) Regulation 3(8) has effect where the commencement date for the child (within the meaning of regulation 7(8) of the Child Trust Funds Regulations 2004(**2**), as amended by regulation 3(7) of these Regulations) is after the day on which regulation 3 of these Regulations comes into force in accordance with paragraph (3).

Amendments to the Child Trust Funds Regulations 2004

2. The Child Trust Funds Regulations 2004 are amended as follows.

(**1**) 2004 c. 6.
(**2**) S.I. 2004/1450; relevantly amended by S.I. 2004/3369, 2005/383, 2009/475 and 2010/836.

3.—(1) Regulation 7 (government contributions)(**3**) is amended as follows.

(2) In paragraph (1)—

(a) for "(4)" (where it first appears) substitute "(4B)";

(b) for "(2) and (4)(a)" substitute "(2), (4)(a) and (4A)";

(c) for "(3) and (4)(b)" substitute "(3), (4)(b) and (4B)".

(3) In paragraph (4) for "Where" substitute "Subject to paragraphs (4A) and (4B), where".

(4) After paragraph (4) insert—

"(4A) Where a child—

(a) is first an eligible child by virtue of section 2(1)(a) of the Act, and

(b) the commencement date for the child (see paragraph (8)) is after the relevant 2010 date (see paragraph (10E)),

the amount is £50.

(4B) Where a child—

(a) is first an eligible child by virtue of section 2(1)(b) of the Act, and

(b) either—

(i) is born on or after the relevant 2010 date, or

(ii) is first in the United Kingdom (other than temporarily) on or after the relevant 2010 date, or

(iii) becomes an eligible child on or after 3 months (less one day) after the relevant 2010 date,

the amount is £100."

(5) In paragraph (7) for "Where" substitute "Subject to paragraph (7A), where".

(6) After paragraph (7) insert—

"(7A) Where the child is one to whom section 9 of the Act applies, and the commencement date for the child is after the relevant 2010 date, the amount is £50."

(7) In paragraph (8), omit sub-paragraph (b) and the word "and" which precedes it.

(8) In each of paragraphs (10) and (10A)(**4**) for "£250" substitute "£50".

(9) After paragraph (10C) insert—

"(10D) Her Majesty's Revenue and Customs must inform the account provider holding the child's account where an amount is payable to the account under paragraph (10) or (10A).

(10E) In this regulation, "the relevant 2010 date" means—

(a) 2nd August 2010; or

(b) if later, the day on which regulation 3 of the Child Trust Funds (Amendment No. 3) Regulations 2010 came into force."

4. Omit regulation 7A (age 7 payments)(**5**).

5.—(1) Regulation 7B (yearly disability payments)(**6**) is amended as follows.

(2) In paragraph (1), for "any year" substitute "the year 2009/10 or 2010/11".

(**3**) Regulation 7 was amended by S.I. 2004/3369, 2005/383 and 2009/475.
(**4**) Paragraphs (10A) to (10C) were inserted by S.I. 2009/475.
(**5**) Regulation 7A was inserted by S.I. 2009/475.
(**6**) Regulation 7B was inserted by S.I. 2010/836.