Draft Regulations laid before Parliament under section 66(1) and 2(a) of the Tax Credits Act 2002, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2008 No. 0000

TAX CREDITS

The Tax Credits Up-rating Regulations 2008

Made - - - -	*2008*
Coming into force - -	*6th April 2008*

As a result of carrying out in the tax year 2007–08 a review of the amounts specified in section 41(2) of the Tax Credits Act 2002(**1**) ("the Act") and in accordance with section 41(1) of the Act, the Treasury have determined that Regulations should be made prescribing increases in some of those sums.

A draft of these Regulations was laid before Parliament in accordance with section 66(1) and (2)(a) of the Act and approved by resolution of each House of Parliament.

Accordingly, the Treasury make the following Regulations in the exercise of the powers conferred upon them by sections 7(1)(a), 9, 11, 13 and 65(1) of the Act.

Citation, commencement, interpretation and effect

1.—(1) These Regulations may be cited as the Tax Credits Up-rating Regulations 2008 and shall come into force on 6th April 2008.

(2) In these Regulations—

"the Child Tax Credit Regulations" means the Child Tax Credit Regulations 2002(**2**);

"the Entitlement Regulations" means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002(**3**);

"the Income Thresholds Regulations" means the Tax Credits (Income Thresholds and Determination of Rates) Regulations 2002(**4**).

(3) These Regulations have effect in relation to awards of tax credits for the tax year beginning on 6th April 2008 and subsequent tax years.

(**1**) 2002 (c. 21).
(**2**) S.I. 2002/2007, last amended by S.I. 2007/828; there are other amending instruments but none is relevant.
(**3**) S.I. 2002/2005, last amended by S.I. 2007/828; there are other amending instruments but none is relevant.
(**4**) S.I. 2002/2008, last amended by S.I. 2007/828; there are other amending instruments but none is relevant.

Amendment of the Child Tax Credit Regulations

2.—(1) The Child Tax Credit Regulations are amended as follows.

(2) In regulation 7(4)(individual element)—

(a) in sub–paragraph (a) for "£4,285" substitute "£4,625";

(b) in sub–paragraph (b) for "£5,265" substitute "£5,645";

(c) in sub–paragraph (c) for "£1,845" substitute "£2,085";

(d) in sub–paragraph (d) for "£4,285" substitute "£4,625";

(e) in sub–paragraph (e) for "£5,265" substitute "£5,645"; and

(f) in sub–paragraph (f) for "£1,845" substitute "£2,085".

Amendment of the Entitlement Regulations

3. For the Table in Schedule 2 to the Entitlement Regulations (Maximum Rates of the elements of a working tax credit) substitute the Table set out in the Schedule to these Regulations.

Amendment of the Income Thresholds Regulations

4.—(1) The Income Thresholds Regulations are amended as follows.

(2) In regulation 3(2) (first income threshold for those entitled to working tax credit) for "£5,220" substitute "£6,420".

(3) In regulation 3(3) (first income threshold for those entitled to child tax credit) for "£14,495" substitute "£15,575".

(4) In regulation 7(3) (determination of working tax credit) —

(a) in step 4 for "£5,220" substitute "£6,420".

(b) in step 5 for "37%" substitute "39%".

(5) In regulation 8(3) (determination of child tax credit)—

(a) in step 4 for "£14,495" substitute "£15,575".

(b) in step 5 for "37%" substitute "39%".

Name
Two of the Lords Commissioners of Her
Date Majesty's Treasury