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

2007 No.

TAX CREDITS

The Tax Credits Up-rating Regulations 2007

Made - - - -

Coming into force - - 6th April 2007

As a result of carrying out in the tax year 2006–07 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 2007 and shall come into force on 6th April 2007.

(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 2007 and subsequent tax years.

(**1**) 2002 (c. 21).
(**2**) S.I. 2002/2007, last amended by S.I. 2006/963; there are other amending instruments but none is relevant.
(**3**) S.I. 2002/2005, last amended by S.I. 2006/963; there are other amending instruments but none is relevant.
(**4**) S.I. 2002/2008, last amended by S.I. 2006/963; 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 "£4,115" substitute "£4,285";

(b) in sub–paragraph (b) for "£5,060" substitute "£5,265";

(c) in sub–paragraph (c) for "£1,765" substitute "£1,845";

(d) in sub–paragraph (d) for "£4,115" substitute "£4,285";

(e) in sub–paragraph (e) for "£5,060" substitute "£5,265"; and

(f) in sub–paragraph (f) for "£1,765" substitute "£1,845".

Amendment of the Entitlement Regulations

3. For the Table in Schedule 2 to the Entitlement Regulations substitute the Table set out in the Schedule to these Regulations.

Amendment of the Income Thresholds Regulations

4.—(1) In regulation 3(3) (first income threshold for those entitled to child tax credit) for "£14,155" substitute "£14,495".

(2) In regulation 8(3) (determination of child tax credit) for "£14,155" (threshold amount shown at step 4) substitute "£14,495".

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