

**2017 No. 578 (C. 52)**

**CHILDCARE**

**PAYMENT SCHEME**

**The Childcare Payments Act 2014 (Commencement No. 3 and  
Transitional Provisions) Regulations 2017**

*Made* - - - -

*20th April 2017*

The Treasury, in exercise of the powers conferred on them by sections 69(2)(n) and 75(2) and (3) of the Childcare Payments Act 2014(a), make the following Regulations:

**Citation and interpretation**

**1.**—(1) These Regulations may be cited as the Childcare Payments Act 2014 (Commencement No. 3 and Transitional Provisions) Regulations 2017.

(2) In these Regulations—

“the Act” means the Childcare Payments Act 2014;

“disabled child” is to be read in accordance with regulations made under section 14 of the Act (qualifying child)(b);

“the relevant day” means the day specified by the Treasury for the purposes of sections 270AA and 318AZA of ITEPA 2003(c);

“the trial” has the meaning given by regulation 1(2) of the Childcare Payments Act 2014 (Commencement No. 2) Regulations 2016(d).

**Commencement**

**2.**—(1) The day appointed for the coming into force of the provisions of the Act set out in regulation 2(2) in respect of—

(a) a child born on or after 1st September 2013 and any sibling; and

(b) a disabled child and any sibling;

is 21st April 2017.

(2) (a) section 1;

(b) sections 3 and 4;

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(a) 2014 c. 28.

(b) Regulation 5 of the Childcare Payments (Eligibility) Regulations 2015 (S.I. 2015/448), made under section 14, explains when a disabled child is a qualifying child for the purposes of the Act.

(c) 2003 c. 1. ITEPA 2003 is defined in section 71 of the Childcare Payments Act 2014 as meaning the Income Tax (Earnings and Pensions) Act 2003. Sections 270AA and 318AZA of ITEPA 2003 are inserted by sections 63 and 64 of the Childcare Payments Act 2014 as commenced by regulation 3(f) of these Regulations.

(d) S.I. 2016/1083 (C. 76).

- (c) sections 6 to 15;
- (d) sections 17 to 25;
- (e) section 62; and
- (f) section 73(2) to (4).

(3) In this regulation “sibling” means any child normally living in the same household as a child referred to in paragraph 1 at the time the declaration of eligibility(a) is made.

**3.** The day appointed for the coming into force of the following provisions of the Act, as far as they are not already in force, is 21st April 2017—

- (a) section 2;
- (b) section 5;
- (c) section 16;
- (d) sections 30 to 42;
- (e) sections 44 to 61;
- (f) sections 63 and 64; and
- (g) sections 66 and 67.

**4.** The day appointed for the coming into force of all remaining provisions of the Act, as far as they are not already in force, in respect of those recruited to participate in the trial, is 16th May 2017.

#### **Transitional provisions relating to the trial**

**5.—**(1) Where a person recruited to participate in the trial makes their first reconfirming declaration on or after 16th May 2017, that declaration is to be treated, for the purposes of sections 12 and 39 of the Act, as if it were a declaration of eligibility for the purposes of opening a childcare account.

(2) In this regulation “reconfirming declaration” has the meaning given by regulation 6(3) of the Childcare Payments Regulations 2015(b).

#### **Transitional provisions relating to section 12 of the Act and section 270AA of ITEPA 2003**

**6.—**(1) Where the period of 52 tax weeks ending on or before the date a person makes a declaration of eligibility, does not include at least one qualifying week, that person is to be treated for the purposes of section 12(1)(a), (2)(a) and (3)(a) of the Act as not being an eligible employee in relation to a relevant childcare scheme.

(2) Paragraph (1) has effect until the end of the day before the relevant day.

(3) In this regulation “qualifying week” and “tax week” have the meanings given by section 270AA(5) of ITEPA 2003.

#### **Transitional provisions relating to section 12 of the Act and section 318AZA of ITEPA 2003**

**7.—**(1) Where the period of 52 tax weeks ending on or before the date a person makes a declaration of eligibility, does not include at least one qualifying week, that person is to be treated for the purposes of section 12(1)(a), (2)(b) and (3)(b) of the Act as not being an eligible employee in relation to a relevant childcare scheme.

(2) Paragraph (1) has effect until the end of the day before the relevant day.

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(a) Section 4 of the Childcare Payments Act 2014 defines “a declaration of eligibility” and is commenced by regulation 2 of these Regulations.  
(b) S.I. 2015/522.

(3) In this regulation “qualifying week” and “tax week” have the meanings given by section 318AZA(5) of ITEPA 2003.

### **Transitional provisions relating to sections 63 and 64 of the Act**

8. At any time before the relevant day, sections 270AA and 318AZA of ITEPA 2003 have effect as if conditions A and B in both those sections, and any reference to them, were omitted.

*Stephen Barclay*

*Andrew Griffiths*

20th April 2017

Two of the Lords Commissioners of Her Majesty’s Treasury

### **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations will bring into force on 21st April 2017 those sections of the Childcare Payments Act 2014 (c. 28) (“the Act”) that are set out in regulations 2 and 3. Regulation 2 commences specified sections of the Act in relation to children under four years old on 1st September 2017, those who have their fourth birthday on that day, disabled children, and any sibling of those children, (defined in regulation 2) on 21st April 2017. Regulation 3 commences the remaining sections of the Act that are not already in force, in relation to all persons. The Childcare Payments Act 2014 (Commencement No. 2) Regulations 2016 (S.I. 2016/1083 C.76) commenced specified sections of the Act in relation to those participating in the trial of the childcare payments scheme. Regulation 4 appoints a commencement day of the 16th May 2017 for all remaining sections of the Act that are not already in force in relation to those persons recruited to participate in the trial, which ends on 15th May 2017.

Regulation 5 contains transitional provisions in respect of the trial.

Regulations 6, 7 and 8 contain transitional provisions in respect of sections 12, 63 and 64 of the Act.

Sections 65, 68 to 73(1), 74 and 75 were commenced by the Act.

A full Impact Assessment of the effect that the childcare payments scheme will have on the costs of business and the voluntary sector was published on 10th June 2014 alongside the draft Bill and was updated on 20th November 2014. They are available from the gov.uk website at <https://www.gov.uk/government/publications/tax-free-childcare-impact-assessment>. They remain an accurate summary of the impacts that apply to this instrument. An updated Impact Assessment was made on 30th March 2017 and will be available at the gov.uk website as soon as it is published.

### **NOTE AS TO EARLIER COMMENCEMENT ORDERS**

*(This note is not part of the Regulations)*

The following provisions of the Childcare Payments Act 2014 have been brought into force by commencement Regulations made before the date of these Regulations:

<i>Provision</i>	<i>Date of Commencement</i>	<i>S.I. No.</i>
Sections 26 to 29 and 43	20th July 2016	2016/763 (C.56)
Section 47 but only in respect of penalties under section 43	20th July 2016	2016/763 (C.56)
Sections 1 and 2 but only in respect of the trial	9th November 2016	2016/1083 (C.76)
Sections 4 to 11 but only in respect of the trial	9th November 2016	2016/1083 (C.76)
Sections 13 to 25 but only in respect of the	9th November 2016	2016/1083 (C.76)

trial		
Section 30 but only in respect of the trial	9th November 2016	2016/1083 (C.76)
Sections 32 to 38 but only in respect of the trial	9th November 2016	2016/1083 (C.76)
Sections 40 to 42 but only in respect of the trial	9th November 2016	2016/1083 (C.76)
Sections 44 to 62 but only in respect of the trial	9th November 2016	2016/1083 (C.76)
Sections 66 and 67 but only in respect of the trial	9th November 2016	2016/1083 (C.76)
Section 73(2) to (4) but only in respect of the trial	9th November 2016	2016/1083 (C.76)

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