
STATUTORY INSTRUMENTS

2018 No. 1130

TAX CREDITS

The Child Tax Credit (Amendment) Regulations 2018

Made - - - - *31st October 2018*
Laid before Parliament *5th November 2018*
Coming into force - - *28th November 2018*

The Treasury make the following Regulations in exercise of the powers conferred by sections 9(3B), 43 and 65(1) and (7) of the Tax Credits Act 2002(1).

Citation and commencement

1. These Regulations may be cited as the Child Tax Credit (Amendment) Regulations 2018 and come into force on 28th November 2018.

Amendment of the Child Tax Credit Regulations 2002

2. The Child Tax Credit Regulations 2002(2) are amended in accordance with regulations 3, 4 and 5.

3. In regulation 9 (exceptions for the purposes of regulation 7(2A)(b))(3)—

(a) for paragraph (1) substitute—

“(1) For the purposes of regulation 7(2A)(b), an exception applies in relation to A if—

(a) A is (in accordance with paragraphs (5) and (6)) the third or subsequent child or qualifying young person for whom the claimant, or either or both of the joint claimants, is or are responsible and either—

(i) any of regulations 10 to 14 applies in relation to A; or

(ii) all, or all but one, of the other children or qualifying young persons (“AA”) for whom the claimant, or either or both of the joint claimants, is or are responsible are adopted within the meaning given by regulation 11 or cared for under a non-parental caring arrangement

(1) 2002 c. 21. Section 9(3B) was inserted by section 13(4) of the Welfare Reform and Work Act 2016 (c. 7). Section 67 of the Tax Credits Act 2002 defines “prescribed” as meaning “prescribed by regulations”.

(2) S.I. 2002/2007; the only relevant amending instrument is S.I. 2017/387.

(3) Regulation 9 was inserted by S.I. 2017/387.

within the meaning given by regulation 12 (reading references to “A” in those regulations as if they were references to “AA”); or

(b) A is (in accordance with paragraphs (5) and (6)) the first or second child or qualifying young person for whom the claimant, or either or both of the joint claimants, is or are responsible.”,

(b) omit paragraphs (2) and (4),

(c) in paragraph (5), for “paragraphs (1) and (2)” substitute “this regulation”,

(d) for paragraph (6), substitute—

“(6) In a case where the date determined under paragraph (5) is the same in respect of two or more members, their order (as between themselves only) is to be such as the Board determines to be appropriate to ensure that the individual element of child tax credit is included in respect of the greatest number of members.”,

(e) omit paragraph (8).

4. In regulation 12(3)(f) (non-parental caring arrangements)(4), for “that Act” substitute “the Children (Scotland) Act 1995”(5).

5. In regulation 14 (continuation of certain exceptions)(6)—

(a) in paragraph (2)(b), omit “by virtue of regulation 10, 11 or 13 applying”, and

(b) in paragraph (4)(b), omit “by virtue of regulation 10, 11 or 13 applying”.

Amendment of the Tax Credits (Polygamous Marriages) Regulations 2003

6.—(1) The Tax Credits (Polygamous Marriages) Regulations 2003(7) are amended as follows.

(2) In regulation 25A (which modifies regulation 9 of the Child Tax Credit Regulations 2002)(8), in paragraph (a), for “paragraphs (1) to (5) for “either or both” (in each place they appear)” substitute “paragraph (1)(a) and (b) for “either or both””.

Craig Whittaker

Paul Maynard

Two of the Lords Commissioners of Her
Majesty’s Treasury

31st October 2018

(4) Regulation 12 was inserted by [S.I. 2017/387](#).

(5) [1995 c. 36](#).

(6) Regulation 14 was inserted by [S.I. 2017/387](#).

(7) [S.I. 2003/742](#); the only relevant amending instrument is [S.I. 2017/387](#).

(8) Regulation 25A was inserted by [S.I. 2017/387](#).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Child Tax Credit Regulations 2002 (S.I. 2002/2007) (“the principal Regulations”) and the Tax Credit (Polygamous Marriages) Regulations 2003 (S.I. 2003/742). Regulation 7(2A) of the principal Regulations sets out the general rule that an award of child tax credit (“CTC”) must not include the individual element of that tax credit in respect of a third or subsequent child or qualifying young person born on or after 6 April 2017 (“A”) unless an exception applies to A in accordance with regulation 9. The exceptions include where A has been adopted by the claimant (regulation 11) or where the claimant is a non-parental carer in relation to A (regulation 12).

Regulation 3 amends regulation 9 of the principal Regulations. Regulation 3(a) substitutes a new paragraph (1) which provides for the individual element of CTC to be paid in respect of A where A is the third or subsequent child or qualifying young person but all, or all but one, of the other children or qualifying young persons for whom the claimant is responsible are adopted or cared for under a non-parental caring arrangement (see regulations 11 and 12 of the principal Regulations). Paragraphs (b) to (e) make consequential amendments to regulation 9 to simplify the rule that a claimant is always able to claim the individual element of child tax credit for the first two children or qualifying young persons.

Regulation 4 makes a minor amendment to regulation 12(3)(f) of the principal Regulations to clarify that the reference to “that Act” is a reference to the Children (Scotland) Act 1995 (c. 36). In view of this correction, the Regulations are being issued free of charge.

Regulation 5 makes consequential amendments to regulation 14 of the principal Regulations. That regulation provides for the continuation of the exception in relation to A in certain prescribed circumstances. The amendments made by regulation 5 ensure that the exceptions continue to apply where new regulation 9(1)(a)(ii) applies in relation to A.

Regulation 6 of these Regulations makes consequential amendments to the Tax Credits (Polygamous Marriages) Regulations 2003 which modify regulation 9 of the principal Regulations in cases where there are polygamous units (as defined in regulation 2 of the Tax Credits (Polygamous Marriages) Regulations 2003).

A full impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.