



# Tax Credits Act 1999

## 1999 CHAPTER 10

### *Main provisions*

#### **1 Certain benefits to be known as tax credits**

- (1) Family credit and disability working allowance shall be known, respectively, as working families' tax credit and disabled person's tax credit.
- (2) Schedule 1 to this Act (which makes provision consequential on subsection (1) above) shall have effect.

#### **2 Transfer of functions relating to tax credits**

- (1) So far as they relate to working families' tax credit or disabled person's tax credit—
  - (a) the functions of the Secretary of State or the Department under the provisions mentioned in Part I of Schedule 2 to this Act shall be functions of the Treasury;
  - (b) the functions of the Secretary of State or the Department under the provisions mentioned in Part II of that Schedule shall be functions of an officer of the Board; and
  - (c) subject to subsection (2) below, the functions of the Secretary of State or the Department under the provisions mentioned in Part III of that Schedule shall be functions of the Board.
- (2) So far as any functions referred to in subsection (1)(c) above are exercisable in relation to payment periods beginning before the commencement of this section, those functions—
  - (a) shall not be functions of the Board; but
  - (b) may be discharged by the Board on behalf of the Secretary of State or the Department.
- (3) Part IV of Schedule 2 to this Act (which modifies certain enactments in their application to tax credit) shall have effect.
- (4) Part V of that Schedule (which makes provision consequential on subsection (1) above) shall have effect.

### **3 Transfer of associated property, rights and liabilities etc**

- (1) Any property, rights and liabilities to which the Secretary of State or the Department is entitled or subject immediately before the commencement of this section in connection with functions transferred to the Treasury by section 2(1) above shall be transferred to the Treasury.
- (2) Any property, rights and liabilities to which the Secretary of State or the Department is entitled or subject immediately before the commencement of this section in connection with functions transferred to the Board or an officer of the Board by section 2(1) above shall be transferred to the Board.
- (3) The property, rights and liabilities transferred by subsections (1) and (2) above do not include any right or liability in respect of which proceedings are commenced before the commencement of this section.
- (4) Her Majesty may by Order in Council make such provision for the transfer to Her Majesty's Home Civil Service of persons employed in the Northern Ireland Civil Service as appears to Her Majesty to be expedient.
- (5) A statutory instrument containing an Order in Council under this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.

### **4 Special provision for certain contracts**

- (1) This section applies to—
  - (a) any contract for the supply of goods or services to the Secretary of State or the Department which relates partly to functions transferred to the Board by section 2(1) above ("transferred functions") and partly to functions retained by the Secretary of State or the Department ("retained functions"); and
  - (b) any contract for the supply of goods or services to the Secretary of State or the Department which relates only to transferred functions or only to retained functions, but whose terms are wholly or partly determined in accordance with a contract falling within paragraph (a) above.
- (2) Section 3 above shall not apply in relation to any contract to which this section applies.
- (3) In any contract to which this section applies any term restricting the provision of goods or services under the contract to the Secretary of State or the Department shall be treated as referring also to the Board, in connection with transferred functions.
- (4) The reference to the Secretary of State in subsection (3) above includes a reference to the Department of Social Security.