

*These notes refer to the Tax Credits Act 2002  
(c.21) which received Royal Assent on 8 July 2002*

# TAX CREDITS ACT 2002

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### Part 1: Tax Credits

##### *Section 24: Payments*

102. This section provides that payments of a tax credit, or of an element of a tax credit, must be made to the person to whom the award is made (*subsection (1)*). In the case of a couple, or where one person acts on another's behalf, regulations are to prescribe the person to whom payments are to be made (*subsections (2) and (3)*). For example, regulations may provide that payments of an award made to a person who is incapacitated may be made to the person acting on their behalf.
103. Regulations under *subsection (4)* may prescribe circumstances in which payments may be continued after the end of a tax year for which a tax credit award was made. These payments are to be treated as payments of the tax credit for the next tax year (*subsection (2)*). This will enable tax credit payments to continue to be made, without interruption, at the start of each tax year when claims are being renewed.
104. Payments of a tax credit must be made by the Board, except where regulations under section 25 require payments of working tax credit to be made by employers (*subsection (6)*). Regulations may be made about when and how tax credit payments are to be made by the Board (*subsection (7)*). In particular, regulations may make entitlement to a tax credit, or to an element of a tax credit, dependent on the claimant(s) providing details of a suitable account into which payments can be made (*subsection (8)*).