

*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 2: Child Benefit and Guardian's Allowance**

##### ***Section 57: Abolition of exclusion of tax exempt persons***

198. This section removes the provision that anyone who has income exempt from UK income tax (or whose partner has such income) is excluded from child benefit entitlement. Child benefit originated in an earlier income tax relief and retained this restriction on claims from that relief. One of its effects is to exclude some people from child benefit entitlement who do pay UK tax. There will be no such restriction on claims for child tax credit and this change brings the rules for child benefit into line with those for that tax credit.