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STATUTORY INSTRUMENTS

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**2003 No. 123**

**The Tax Credits (Interest Rate) Regulations 2003**

**Interpretation**

2.—(1) In these Regulations—

“the Board” means the Commissioners of Inland Revenue;

“established rate” means—

- (a) on the coming into force of these Regulations, 6.5 per cent. per annum;
- (b) in relation to any date after the first reference date after the coming into force of these Regulations, the reference rate found on the immediately preceding reference date;

“operative date” means the sixth day of each month;

“reference date” means the day of each month which is the twelfth working day before the sixth day of the following month;

“tax credit” means child tax credit or, as the case may be, working tax credit, provision for which is made by the Tax Credits Act 2002;

“working day” means any day other than a non-business day within the meaning of section 92 of the Bills of Exchange Act 1882<sup>(1)</sup>.

(2) For the purposes of regulation 4(2) the reference rate found on a reference date is the percentage per annum found by averaging the base lending rates at close of business on that date of—

- (a) Bank of Scotland;
- (b) Barclays Bank plc;
- (c) Lloyds Bank plc;
- (d) HSBC Bank plc;
- (e) National Westminster Bank plc;
- (f) The Royal Bank of Scotland plc,

and, if the result is not a whole number, rounding the result to the nearest such number, with any result midway between two whole numbers rounded down.

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(1) 1882 c. 61. Section 92 was amended by sections 3(1) and 4(4) of the Banking and Financial Dealings Act 1971 (c. 80).