



# Tax Credits Act 2002

## 2002 CHAPTER 21

### [<sup>F1</sup>PART 1

#### TAX CREDITS

#### [<sup>F1</sup>Supplementary

#### Textual Amendments

- F1** Pt. 1 repealed (1.2.2019 with savings in relation to specified cases in [art. 3](#) of the commencing S.I.) by [Welfare Reform Act 2012 \(c. 5\)](#), s. 150(3), [Sch. 14 Pt. 1](#); S.I. 2019/167, arts. 2, 3

#### 40 Annual reports

- (1) The Board must make to the Treasury an annual report about—
- <sup>F2</sup>(a) .....
  - (b) the number of awards of child tax credit and of working tax credit,
  - (c) the number of enquiries conducted under section 19,
  - (d) the number of penalties imposed under this Part, and
  - (e) the number of prosecutions and convictions for offences connected with tax credits.
- (2) The Treasury must publish each annual report made to it under subsection (1) and lay a copy before each House of Parliament.

#### Textual Amendments

- F2** S. 40(1)(a) repealed (18.4.2005) by [Commissioners for Revenue and Customs Act 2005 \(c. 11\)](#), s. 53(1), [Sch. 4 para. 89](#), [Sch. 5](#); S.I. 2005/1126, art. 2(2)(h)(i)

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#### 41 Annual review

- (1) The Treasury must, in each tax year, review the amounts specified in subsection (2) in order to determine whether they have retained their value in relation to the general level of prices in the United Kingdom as estimated by the Treasury in such manner as it considers appropriate.
- (2) The amounts are monetary amounts prescribed—
  - (a) under subsection (1)(a) of section 7,
  - (b) for the purposes of any of paragraphs (a) to (d) of subsection (3) of that section,
  - (c) under section 9,
  - (d) under section 11, otherwise than by virtue of section 12, or
  - (e) under subsection (2) of section 13, otherwise than by virtue of subsection (3) of that section.
- (3) The Treasury must prepare a report of each review.
- (4) The report must include a statement of what each amount would be if it had fully retained its value.
- (5) The Treasury must publish the report and lay a copy of it before each House of Parliament.

#### Modifications etc. (not altering text)

C1 S. 41 modified (16.3.2016) by [Welfare Reform and Work Act 2016 \(c. 7\)](#), ss. **12(2)**, 36(1)(b)

#### 42 Persons subject to immigration control

- (1) Regulations may make provision in relation to persons subject to immigration control or in relation to prescribed descriptions of such persons—
  - (a) for excluding entitlement to, or to a prescribed element of, child tax credit or working tax credit (or both), or
  - (b) for this Part to apply subject to other prescribed modifications.
- (2) “Person subject to immigration control” has the same meaning as in section 115 of the Immigration and Asylum Act 1999 (c. 33).

#### 43 Polygamous marriages

- (1) Regulations may make provision for this Part to apply in relation to persons who are parties to polygamous marriages subject to prescribed modifications.
- (2) A person is a party to a polygamous marriage if—
  - (a) he is a party to a marriage entered into under a law which permits polygamy, and
  - (b) either party to the marriage has a spouse additional to the other party.

#### 44 Crown employment

This Part applies in relation to persons employed by or under the Crown (as in relation to other employees).

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## 45 Inalienability

- (1) Every assignment of or charge on a tax credit, and every agreement to assign or charge a tax credit, is void; and, on the bankruptcy of a person entitled to a tax credit, the entitlement to the tax credit does not pass to any trustee or other person acting on behalf of his creditors.
- (2) In the application of subsection (1) to Scotland—
  - (a) the reference to assignment is to assignation (“assign” being construed accordingly), and
  - (b) the reference to the bankruptcy of a person is to the sequestration of his estate or the appointment on his estate of a judicial factor under section 41 of the Solicitors (Scotland) Act 1980 (c. 46).

## 46 Giving of notices by Board

The Board may give any notice which they are required or permitted to give under this Part in any manner and form which the Board consider appropriate in the circumstances.

## 47 Consequential amendments

Schedule 3 (consequential amendments) has effect.

### Commencement Information

- II** S. 47 wholly in force at 8.4.2003; s. 47 not in force at Royal Assent, see s. 61; s. 47 in force for certain purposes at 1.4.2003 and 6.4.2003 and otherwise in force at 8.4.2003 by [S.I. 2003/962](#), [art. 2\(2\)\(3\)\(b\)\(4\)\(b\)](#)

## 48 Interpretation

[<sup>F3</sup>(1)] In this Part—

- “child” has the meaning given by section 8(3),
- [<sup>F4</sup> “couple” has the meaning given by section 3(5A), ]
- “the current year income” has the meaning given by section 7(4),
- “employee” and “employer” have the meaning given by section 25(5),
- <sup>F5</sup> ...
- “the income threshold” has the meaning given by section 7(1)(a),
- “joint claim” has the meaning given by section 3(8),
- <sup>F6</sup> ...
- “overpayment” has the meaning given by section 28(2) and (6),
- “the previous year income” has the meaning given by section 7(5),
- “qualifying remunerative work”, and being engaged in it, have the meaning given by regulations under section 10(2),
- “qualifying young person” has the meaning given by section 8(4),
- “the relevant income” has the meaning given by section 7(3),
- “responsible”, in relation to a child or qualifying young person, has the meaning given by regulations under section 8(2) (for the purposes of child

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tax credit) or by regulations under section 10(4) (for the purposes of working tax credit),

“single claim” has the meaning given by section 3(8),

<sup>F5</sup>  
...

“tax year” means a period beginning with 6th April in one year and ending with 5th April in the next, and

<sup>F6</sup>  
...

<sup>F7</sup>(2).....]

#### Textual Amendments

- F3** S. 48(1): s. 48 renumbered as s. 48(1) (5.12.2005) by [Civil Partnership Act 2004 \(c. 33\)](#), s. 263(8)(d), [Sch. 24 para. 147\(1\)](#); S.I. 2005/3175, art. 2(1), Sch. 1
- F4** Words in s. 48(1) inserted (5.12.2005) by [Civil Partnership Act 2004 \(c. 33\)](#), s. 263(8)(d), [Sch. 24 para. 147\(2\)](#); S.I. 2005/3175, art. 2(1), Sch. 1
- F5** Words in s. 48(1) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), [Sch. 1 para. 315](#)
- F6** Words in s. 48(1) (definitions of "married couple", "unmarried couple" and the "and" at the end of the definition of "tax year") repealed (5.12.2005) by [Civil Partnership Act 2004 \(c. 33\)](#), s. 263(8)(d), [Sch. 24 para. 147\(2\)](#), [Sch. 30](#); S.I. 2005/3175, art. 2(1)(6), Sch. 1
- F7** S. 48(2) omitted (2.12.2019) by virtue of [The Civil Partnership \(Opposite-sex Couples\) Regulations 2019 \(S.I. 2019/1458\)](#), reg. 1(2), [Sch. 3 para. 23\(3\)](#)

#### Modifications etc. (not altering text)

- C2** S. 48 modified (E.W.S.) (29.4.2013) by [The Universal Credit \(Transitional Provisions\) Regulations 2013 \(S.I. 2013/386\)](#), reg. 1(2), [Sch. para. 13](#)

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**Changes and effects yet to be applied to :**

- specified provision(s) amendment to earlier commencing SI 2003/962 by [S.I. 2008/3151 art. 3\(2\)](#) (art. 3(2) revoked (14. 7.2014) by S.I. 2014/1848)
- specified provision(s) amendment to earlier commencing SI 2003/962 art. 2(5) by [S.I. 2011/2910 art. 2](#) (Order revoked (14. 7.2014) by S.I. 2014/1848)

**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 35(2)-(12) substituted for s. 35(2) by [2012 c. 5 s. 124](#)
- s. 35(9) words substituted by [2020 c. 17 Sch. 24 para. 443\(1\)](#) (This amendment not applied to legislation.gov.uk. The substitution of s. 35(2)-(12) for s. 35(2) by 2021 c. 5, s. 124 is not yet in force)
- s. 36(10) words repealed by [2012 c. 5 Sch. 14 Pt. 12](#)