
DRAFT STATUTORY INSTRUMENTS

2006 No.

The Tax Credits Up-rating Regulations 2006

Citation, commencement, interpretation and effect

1.—(1) These Regulations may be cited as the Tax Credits Up-rating Regulations 2006 and shall come into force on 6th April 2006.

(2) In these Regulations—

“the Child Tax Credit Regulations” means the Child Tax Credit Regulations 2002(1);

“the Entitlement Regulations” means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002(2);

“the Income Thresholds Regulations” means the Tax Credits (Income Thresholds and Determination of Rates) Regulations 2002(3).

(3) These Regulations have effect in relation to awards of tax credits for the tax year beginning on 6th April 2006 and subsequent tax years.

Amendment of Child Tax Credit Regulations

2.—(1) The Child Tax Credit Regulations are amended as follows.

(2) In regulation 7(4)(4) (individual element)—

(a) in sub-paragraph (a) for “£3,975” substitute “£4,115”;

(b) in sub-paragraph (b) for “£4,895” substitute “£5,060”;

(c) in sub-paragraph (c) for “£1,690” substitute “£1,765”;

(d) in sub-paragraph (d) for “£3,975” substitute “£4,115”;

(e) in sub-paragraph (e) for “£4,895” substitute “£5,060”;

(f) in sub-paragraph (f) for “£1,690” substitute “£1,765”.

Amendment of the Entitlement Regulations

3.—(1) In regulation 20(2) of the Entitlement Regulations (maximum rate of the child care element of a working tax credit), for “70 per cent.” substitute “80 per cent.”.

(2) For the Table in Schedule 2(5) to the Entitlement Regulations substitute the Table set out in the Schedule to these Regulations.

Amendment of the Income Thresholds Regulations

4.—(1) In regulation 3(3) of the Income Thresholds Regulations (first income threshold for those entitled to child tax credit) for “£13,910” substitute “£14,155”.

(1) S.I.2002/2007.

(2) S.I.2002/2005.

(3) S.I.2002/2008.

(4) This regulation was last amended by S.I. 2005/681.

(5) By virtue of regulation 3 of S.I. 2005/681 this table substituted the table in Schedule 2.

(2) In regulation 5 (amounts prescribed for the purposes of section 7(3)(a) and (b) of the Act) for “£2,500” substitute “£25,000”.

(3) In regulation 8(3) (determination of child tax credit) for “£13,910” (threshold amount shown at step 4) substitute “£14,155”.

Two of the Lords Commissioners of Her
Majesty’s Treasury