

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

TAX CREDITS ACT 2002

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1: Tax Credits

Section 32: Failure to comply with requirements

132. This section provides that penalties may be imposed on a person (including an employer) who fails to comply with a requirement to supply information or evidence. An initial penalty of up to £300 may be imposed by the relevant appellate body after the Board have commenced proceedings for it (*subsection (2)(a) and paragraph 3 of Schedule 2*). Thereafter, the Board may impose daily penalties of up to £60 (*subsection (2)(b)*). Such penalties cannot be imposed after the information or evidence has been supplied (*subsection (4)*). This section also provides that a penalty of up to £300 may be imposed on a person who fails to notify a change of circumstances which may decrease the rate at which he is entitled to a tax credit in accordance with regulations under section 6 (*subsection (3)*). A person is not to be regarded as failing to supply information or evidence or giving the notification if it was provided within a time limit set or revised by the Board or the person had a reasonable excuse for the failure and provided the information or evidence without delay once the excuse no longer applied (*subsection (5)*).