
STATUTORY INSTRUMENTS

2000 No. 2978

**SOCIAL SECURITY
TAXES**

**The Tax Credits Schemes (Miscellaneous
Amendments No. 4) Regulations 2000**

Made - - - - 7th November 2000
Laid before Parliament 7th November 2000
Coming into force - - 28th November 2000

The Treasury, in exercise of the powers conferred upon them by sections 136(3), (4) and (5)(b) and (c), 137(1) and 175(1), (3) and (4) of the Social Security Contributions and Benefits Act 1992⁽¹⁾, section 2(1)(a) of, and paragraphs 1(g) and 20(a) of Schedule 2 to, the Tax Credits Act 1999⁽²⁾, and the Commissioners of Inland Revenue, in exercise of the powers conferred on them by sections 137(2)(a), (c) and (d)⁽³⁾ and 175(1), (3) and (4) of the Social Security Contributions and Benefits Act 1992, sections 5(1)(k) and (2)(c) and (d) and 189(1), (4) and (5) of the Social Security Administration Act 1992⁽⁴⁾, and section 2(1)(c) of, and paragraphs 7(a) and (b) and 20(c) of Schedule 2 to, the Tax Credits Act 1999, hereby make the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Tax Credits Schemes (Miscellaneous Amendments No. 4) Regulations 2000 and shall come into force on 28th November 2000.

(2) In these Regulations—

“award periods” means award periods of disabled person’s tax credit or, as the case may be, working families’ tax credit;

“the Disability Working Allowance Regulations” means the Disability Working Allowance (General) Regulations 1991⁽⁵⁾;

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- (1) 1992 c. 4. Section 137(1) is cited because of the meaning it ascribes to the word “prescribed”. Section 175(1) and (4) was amended by paragraph 29(2) and (4) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2) (“the Transfer Act”).
- (2) 1999 c. 10.
- (3) Section 137(2)(d) was substituted by paragraph 35 of Schedule 2 to the Jobseekers Act 1995 (c. 18).
- (4) 1992 c. 5. Section 5(2)(c) and (d) was amended by paragraphs 1 and 3(a) of Schedule 1 to the Tax Credits Act 1999. Section 189(1), (4) and (5) was amended by paragraph 109(a), (c) and (d) of Schedule 7, and Schedule 8, to the Social Security Act 1998 (c. 14), and section 189(1) was amended further by paragraph 57(2) of Schedule 3 to the Transfer Act.
- (5) S.I. 1991/2887.

“the Family Credit Regulations” means the Family Credit (General) Regulations 1987(6).

Amendments to the Disability Working Allowance Regulations and the Family Credit Regulations

2. Amend the Disability Working Allowance Regulations and the Family Credit Regulations in accordance with the provisions of regulations 3 to 9.

Persons treated as being in Great Britain

3.—(1) Amend regulation 5 of the Disability Working Allowance Regulations and regulation 3 of the Family Credit Regulations as follows.

(2) In paragraph (1A)(7) after sub-paragraph (d) add “or

(e) he is a person who—

- (i) has been given leave to enter, or remain in, the United Kingdom by the Secretary of State upon the undertaking of another person, or persons, pursuant to the immigration rules within the meaning of the Immigration Act 1971(8), to be responsible for his maintenance and accommodation, and
- (ii) has been resident in the United Kingdom for a period of at least 5 years beginning with his date of entry into the United Kingdom, or the date on which the undertaking was given in respect of him, whichever is the later, or

(f) he is a person who—

- (i) has been given leave to enter, or remain in, the United Kingdom by the Secretary of State upon the undertaking of another person, or persons, pursuant to the immigration rules mentioned in sub-paragraph (e) above, to be responsible for his maintenance and accommodation, and
- (ii) has been resident in the United Kingdom for less than 5 years beginning with his date of entry into the United Kingdom, or the date on which the undertaking was given in respect of him, whichever is the later, but the person giving the undertaking has died or, where the undertaking was given by more than one person, they have all died.”.

(3) This regulation shall have effect in relation to award periods commencing on or after 28th November 2000.

Remunerative work

4.—(1) Amend regulation 6 of the Disability Working Allowance Regulations and regulation 4 of the Family Credit Regulations as follows.

(2) In paragraph (3)(9) after sub-paragraph (e) insert “or

(f) he is in receipt of an employment zone subsistence allowance.”.

(3) In paragraph (4)(10) for “paragraph (4A)” substitute “ paragraphs (4A) and (4B)”.

(4) After paragraph (4A)(11) insert—

(6) S.I. 1987/1973.

(7) Regulation 5(1A) and regulation 3(1A) were inserted by regulations 5(b) and 6(b) of S.I. 1996/30 and amended by regulation 18(1) and (2)(b) and (c) of S.I. 1998/563 and regulation 3(b) of S.I. 2000/795.

(8) 1971 c. 77.

(9) Regulation 6(3) and regulation 4(3) were substituted by regulations 2(a) and 11(a) of S.I. 1994/2139 and amended by regulation 4(2) of S.I. 1999/2165.

(10) Regulation 6(4) and regulation 4(4) were relevantly amended by regulations 3(a) and 11(a) of S.I. 1995/516.

(11) Regulation 6(4A) and regulation 4(4A) were inserted by regulations 3(b) and 11(b) of S.I. 1995/516.

“(4B) Any period where a person is absent from work by reason of jury service shall be disregarded in establishing the average hours for which he is engaged in work.”.

(5) In paragraph (5) after sub-paragraph (c) insert “or

(d) cannot satisfy the requirements of sub-paragraph (a) or (b) above and at the date of claim he is absent from work by reason of jury service but he is expected by his employer to work or, where he is a self-employed earner, he expects to work, not less than 16 hours in the week following his return to work from that jury service.”.

(6) This regulation shall have effect in relation to award periods commencing on or after 28th November 2000.

Normal weekly earnings of employed earner

5.—(1) Amend regulation 16 of the Disability Working Allowance Regulations (“ regulation 16”) and regulation 14 of the Family Credit Regulations (“ regulation 14”) as follows.

(2) In both paragraph (3)(**12**) and paragraph (4)(b) of regulation 16—

(a) after “place of employment,” insert “or where at the date of claim the claimant is absent from work by reason of jury service,”;

(b) after “period of short-time working” in the second place where those words appear add “or jury service”.

(3) In paragraph (3) of regulation 14 after “at his place of employment ” in both places where those words appear insert “or because of his absence from work by reason of jury service”.

(4) This regulation shall have effect in relation to award periods commencing on or after 28th November 2000.

Income and capital

6.—(1) Amend regulation 34 of the Disability Working Allowance Regulations and regulation 31 of the Family Credit Regulations as follows.

(2) After paragraph (8)(**13**) add the following paragraph—

“(9) Any bounty derived from employment as a member of any territorial or reserve force prescribed in Part I of Schedule 3 to the Social Security (Contributions) Regulations 1979(**14**) and paid at intervals of at least one year shall be treated as capital.”.

(3) This regulation shall have effect in relation to award periods commencing on or after 28th November 2000.

Students

7.—(1) Amend regulation 41 of the Disability Working Allowance Regulations and regulation 37 of the Family Credit Regulations as follows.

(2) In the definition of “course of study” omit “full-time”.

(3) In the definition of “student”(**15**) omit “full-time” in the second place where the word occurs.

(4) This regulation shall have effect in relation to award periods commencing on or after 2nd January 2001.

(12) Regulation 16(3) was amended by regulation 2(3)(b) of S.I. [1996/3137](#).

(13) Regulation 34(8) and regulation 31(8) were added by regulation 4(1) of S.I. [2000/795](#).

(14) S.I. [1979/591](#).

(15) The definition of “student” in regulation 37 was amended by regulation 7(c) of S.I. [1991/1520](#) and, together with the same definition in regulation 41, by regulation 9 of S.I. [1992/573](#) and regulation 2(c) of S.I. [1995/1742](#).

Income to be disregarded

8.—(1) Amend Schedule 3 to the Disability Working Allowance Regulations (“ Schedule 3”) and Schedule 2 to the Family Credit Regulations (“Schedule 2”) as follows.

(2) Insert as paragraph 11B of Schedule 3(**16**) and paragraph 12A of Schedule 2—

“Any payment by way of Job Grant pursuant to arrangements made under section 2(1) of the Employment and Training Act 1973(**17**).”.

(3) Add as paragraph 66 of Schedule 3 and paragraph 68 of Schedule 2(**18**) the following paragraph—

“In the case of a claimant participating in an employment zone scheme, any payment under the scheme by way of monies accumulated in order to assist in the pursuit of self-employed earner’s employment which are paid after the claimant has ceased to participate in the scheme.”.

(4) Add as paragraph 67 of Schedule 3 and paragraph 69 of Schedule 2 the following paragraph—

“In the case of a claimant who is absent from work by reason of jury service, any payment to the claimant in respect of loss of earnings by reason of that jury service.”.

(5) The amendments made by paragraph (2) above shall have effect in relation to award periods commencing on or after 10th April 2001.

(6) The amendments made by paragraphs (3) and (4) above shall have effect in relation to award periods commencing on or after 28th November 2000.

Capital to be disregarded

9.—(1) Amend Schedule 4 to the Disability Working Allowance Regulations (“ Schedule 4”) and Schedule 3 to the Family Credit Regulations (“Schedule 3”) as follows.

(2) Add as paragraph 63 of Schedule 4 and paragraph 64 of Schedule 3(**19**) the following paragraph—

“Any payment by way of Job Grant pursuant to arrangements made under section 2(1) of the Employment and Training Act 1973, but only for a period of 52 weeks from the date of payment.”.

(3) This regulation shall have effect in relation to award periods commencing on or after 10th April 2001.

Amendments to the Social Security (Claims and Payments) Regulations 1987

10.—(1) Amend the Social Security (Claims and Payments) Regulations 1987(**20**) as follows.

(2) In regulation 19(7)(**21**)—

(a) for sub-paragraph (e) substitute—

“(e) in the case of a claim for working families’ tax credit, the claimant had previously been entitled, or the partner of the claimant had previously been entitled in relation to the claimant, to income support or jobseeker’s allowance and the claim for working families’ tax credit was made within one month of—

(16) Paragraph 11A was inserted by regulation 3(8)(a) of S.I. [1995/2303](#).

(17) [1973 c. 50](#).

(18) Paragraph 65 of Schedule 3 and paragraph 67 of Schedule 2 were added by regulation 4(2) of S.I. [2000/795](#).

(19) Paragraph 62 of Schedule 4 and paragraph 63 of Schedule 3 were added by regulation 6 of S.I. [2000/795](#).

(20) S.I. [1987/1968](#).

(21) Regulation 19(7) was relevantly amended by regulation 6(4) of S.I. [1997/2290](#) and regulations 24 and 25 of, and Parts V and VI of the Schedule to, S.I. [1999/2572](#).

- (i) the expiry of entitlement to income support ignoring any period in which entitlement resulted from the person entitled not being treated as engaged in remunerative work by virtue of regulation 6(2) and (3) of the Income Support (General) Regulations 1987~~(22)~~; or
 - (ii) the expiry of entitlement to jobseeker's allowance;";
 - (b) for sub-paragraph (h) substitute—
 - “(h) in the case of a claim for disabled person's tax credit, the claimant had previously been entitled to income support, jobseeker's allowance, incapacity benefit or severe disablement allowance and the claim for disabled person's tax credit was made within one month of—
 - (i) the expiry of entitlement to income support ignoring any period in which entitlement resulted from the claimant not being treated as engaged in remunerative work by virtue of regulation 6(2) and (3) of the Income Support (General) Regulations 1987; or
 - (ii) the expiry of entitlement to jobseeker's allowance, incapacity benefit or severe disablement allowance;
 - (ha) in the case of a claim for disabled person's tax credit, the partner of the claimant had previously been entitled in relation to the claimant to income support or jobseeker's allowance, and the claim for disabled person's tax credit was made within one month of—
 - (i) the expiry of entitlement to income support ignoring any period in which entitlement resulted from the partner of the claimant not being treated as engaged in remunerative work by virtue of regulation 6(2) and (3) of the Income Support (General) Regulations 1987; or
 - (ii) the expiry of entitlement to jobseeker's allowance;”.
- (3) This regulation shall have effect with respect only to working families' tax credit and disabled person's tax credit.

7th November 2000

Bob Ainsworth
Greg Pope
Two of the Lords Commissioners of Her
Majesty's Treasury

7th November 2000

Tim Flesher
Dave Hartnett
Two of the Commissioners of Inland Revenue

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Family Credit (General) Regulations 1987 (S.I.1987/1973) (“the Family Credit Regulations”) and the Disability Working Allowance (General) Regulations 1991 (S.I. 1991/2887) (“the Disability Working Allowance Regulations”). These Regulations amend also the Social Security (Claims and Payments) Regulations 1987 (S.I. 1987/1968) but with respect only to working families' tax credit and disabled person's tax credit.

Regulation 1 provides for citation, commencement and interpretation.

Regulation 2 introduces regulations 3 to 9 which set out the amendments to the Family Credit Regulations and the Disability Working Allowance Regulations.

Regulation 3 amends regulation 3 of the Family Credit Regulations and regulation 5 of the Disability Working Allowance Regulations (persons treated as being in Great Britain) and extends the categories of persons who are treated as being in Great Britain.

Regulation 4 amends regulation 4 of the Family Credit Regulations and regulation 6 of the Disability Working Allowance Regulations (remunerative work) so as to not treat persons as engaged in remunerative work insofar as they are in receipt of an employment zone subsistence allowance. The amendments also make provision so as to ensure that an absence from work by reason of jury service does not affect entitlement to working families' tax credit or disabled person's tax credit.

Regulation 5 amends regulation 14 of the Family Credit Regulations and regulation 16 of the Disability Working Allowance Regulations (normal weekly earnings of employed earner). The amendments again make provision so as to ensure that an absence from work by reason of jury service does not affect entitlement to working families' tax credit or disabled person's tax credit.

Regulation 6 amends regulation 31 of the Family Credit Regulations and regulation 34 of the Disability Working Allowance Regulations (income treated as capital) so as to treat as capital certain bounty payments paid to a member of reserve or auxiliary forces.

Regulation 7 amends regulation 37 of the Family Credit Regulations and regulation 41 of the Disability Working Allowance Regulations (interpretation) so as to ensure that part-time students are treated in the same way as full-time students.

Regulation 8 amends Schedule 2 to the Family Credit Regulations and Schedule 3 to the Disability Working Allowance Regulations (income to be disregarded) so as to add payments by way of Job Grant, certain payments under employment zone schemes and payments in respect of loss of earnings by reason of jury service to the categories of income to be disregarded.

Regulation 9 amends Schedule 3 to the Family Credit Regulations and Schedule 4 to the Disability Working Allowance Regulations (capital to be disregarded) so as to add payments by way of Job Grant for a period of 52 weeks from the date of payment to the categories of capital to be disregarded.

Regulation 10 amends regulation 19 of the Social Security (Claims and Payments) Regulations 1987 (time for claiming benefit) so as to extend the circumstances in which claims for working families' tax credit and disabled person's tax credit may be backdated.