
STATUTORY INSTRUMENTS

2011 No. 1035

The Tax Credits Up-rating Regulations 2011

Citation, commencement, and effect

1.—(1) These Regulations may be cited as the Tax Credits Up-rating Regulations 2011 and come into force on 6th April 2011.

(2) These Regulations have effect in relation to awards of tax credits for the year beginning on 6th April 2011.

Amendment of the Child Tax Credit Regulations

2.—(1) Regulation 7 of the Child Tax Credit Regulations 2002⁽¹⁾ (determination of the maximum rate) is amended as follows.

(2) For paragraph (3) substitute—

“(3) The family element of child tax credit is £545.”

(3) In paragraph (4)—

- (a) in sub-paragraph (a) for “£5,015” substitute “£5,355”;
- (b) in sub-paragraph (b) for “£6,110” substitute “£6,485”;
- (c) in sub-paragraph (c) for “£2,300” substitute “£2,555”;
- (d) in sub-paragraph (d) for “£5,015” substitute “£5,355”;
- (e) in sub-paragraph (e) for “£6,110” substitute “£6,485”;
- (f) in sub-paragraph (f) for “£2,300” substitute “£2,555”.

Amendment of the Working Tax Credit (Entitlement and Maximum Rate) Regulations

3.—(1) The Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002⁽²⁾ are amended as follows.

(2) In regulation 20(2) (the childcare percentage) for “80 per cent” substitute “70 per cent”.

(3) For the Table in Schedule 2 (maximum rates of the elements of a working tax credit) substitute the Table set out in the Schedule to these Regulations.

Amendment of the Tax Credits (Income Thresholds and Determination of Rates) Regulations 2002

4.—(1) The Tax Credits (Income Thresholds and Determinations of Rates) Regulations 2002⁽³⁾ are amended as follows.

(2) In regulation 3(3) (manner in which amounts to be determined for the purposes of section 7(1) (a) of the Act) for “£16,190” substitute “£15,860”.

⁽¹⁾ S.I. 2002/2007; the last relevant amending instrument is S.I.2010/981.

⁽²⁾ S.I. 2002/2005; relevant amending instruments are S.I. 2006/963 and S.I. 2010/981.

⁽³⁾ S.I. 2002/2008; relevant amending instruments are S.I. 2006/963, S.I. 2008/796, S.I. 2010/751 and S.I. 2010/981.

(3) In regulation 5 (amounts prescribed for section 7(3)(a) and (b) of the Act) for “£25,000” substitute “£10,000”.

(4) In regulation 7(3) (determination of rate of working tax credit), in Step 10, for “80%” substitute “70%”.

(5) In regulation 8(3) (determination of child tax credit)—

(a) in Step 4, for “£16,190” substitute “£15,860”;

(b) in Step 5, for “39%” substitute “41%”;

(c) in Step 8—

(i) for “6.67%” substitute “41%”;

(ii) for “£50,000” substitute “£40,000”;

(d) in Step 9, (finding X for the purposes of Step 8), for “£50,000” substitute “£40,000”.

Michael Fabricant

Angela Watkinson

Two of the Lords Commissioners of Her
Majesty’s Treasury

30th March 2011