
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend a number of statutory instruments in relation to tax credits and child benefit.

Regulation 1 provides for citation and commencement.

Regulation 2 makes amendments to the Working Tax Credits (Entitlement and Maximum Rate) Regulations 2002 ([S.I. 2002/2005](#)) (“the Entitlement Regulations”). Regulation 2 of the Entitlement Regulations is amended to include a definition of Scottish disability assistance. Regulation 9 of the Entitlement Regulations sets out the conditions of entitlement to the disability element of Working Tax Credit. Regulation 13 of the Entitlement Regulations sets out the conditions of entitlement to the maximum rate of the childcare element of working tax credit. Regulation 17 of the Entitlement Regulations sets out the conditions of entitlement to the severe disability element of working tax credit. Regulation 2(3) and (4) amend regulations 9 and 13 of the Entitlement Regulations to include a reference to disability assistance under section 31 of the Social Security (Scotland) Act 2018 ([asp 9](#)). Regulation 2(6) amends regulation 17 of the Entitlement Regulations to include a reference to the higher rate daily living component of disability assistance under section 31 Social Security (Scotland) Act 2018. Regulation 14 of the Entitlement Regulations is amended to reflect the introduction of The Approval of Home Childcare Providers (Wales) Scheme 2021.

Regulation 3 amends the Tax Credits (Definition and Calculation of Income) Regulations 2002 (“the Definition and Calculation Regulations”) ([S.I. 2002/2006](#)) to include a reference to the scheme known as the Household Support Fund. Table 6 in Regulation 19 of the Definition and Calculation Regulations, which sets out the payments that are to be disregarded in calculating a person’s income for the purposes of tax credits, is amended to insert an entry in respect of payments made under the scheme known as the Household Support Fund or under corresponding schemes established by the Devolved Administrations.

Regulation 4 amends the Child Tax Credit Regulations 2002 (“CTC Regulations”). Regulation 8 of the CTC Regulations prescribes the conditions as to when a child or qualifying young person will be treated as disabled or severely disabled for the purposes of section 9 of the Tax Credits Act 2002 ([c. 21](#)). Regulation 4 amends regulation 8 of the CTC Regulations to ensure that a person only satisfies the requirements of that paragraph where the care component of disability assistance under section 31 Social Security (Scotland) Act 2018 is payable at the higher rate in respect of that person. Regulation 8 prescribes the conditions as to when a child or qualifying young person will be treated as disabled or severely disabled for the purposes of section 9 of the Tax Credits Act 2002.

Regulation 5 amends regulation 1 of the Child Benefit (General) Regulations 2006 ([S.I. 2006/223](#)) to include a reference to “No One Left Behind”, which is a new training scheme being introduced by the Scottish government, in the definition of approved training in relation to Scotland.

A full impact statement has not been produced because no impact on the private, voluntary or public sector is foreseen.