
STATUTORY INSTRUMENTS

2024 No. 176

TAX CREDITS

**The Tax Credits (Miscellaneous
Amendments) Regulations 2024**

<i>Made</i>	- - - -	<i>20th February 2024</i>
<i>Laid before Parliament</i>		<i>21st February 2024</i>
<i>Coming into force</i>	- -	<i>13th March 2024</i>

The Treasury make these Regulations in exercise of the powers conferred by sections 7(8) and (9), 9(6), 11 and 65(1), (7) and (9) of the Tax Credits Act 2002(1).

Citation and commencement

1. These Regulations may be cited as the Tax Credits (Miscellaneous Amendments) Regulations 2024 and come into force on 13th March 2024.

Amendment of the Child Tax Credit Regulations 2002

2.—(1) The Child Tax Credit Regulations 2002(2) are amended as follows.

(2) In regulation 8 (prescribed conditions for a disabled or severely disabled child or qualifying young person)—

- (a) in paragraph (2)(e) after “Social Security (Scotland) Act 2018” insert “, or would be so payable but for a reduction because that person is undergoing medical or other treatment as an in-patient at a hospital or similar institution”, and
- (b) in paragraph (6) after “in respect of that person” insert “, or would be so payable but for a reduction because that person is undergoing medical or other treatment as an in-patient at a hospital or similar institution”.

(1) 2002 c. 21. Part 1 (but not Schedule 1 or 3) has been repealed by section 147 of, and Part 1 of Schedule 14, to the Welfare Reform Act 2012 (c. 5) as commenced by S.I. 2019/167 (C. 6), subject to savings provisions provided by article 3 of that instrument. Section 67 defines “prescribed” (used in sections 9 and 11) as “prescribed by regulations”.

(2) S.I. 2002/2007, relevantly amended by S.I. 2020/297 and S.I. 2021/1286.

Amendment of the Tax Credits (Definition and Calculation of Income) Regulations 2002

3.—(1) The Tax Credits (Definition and Calculation of Income) Regulations 2002(3) are amended as follows.

(2) In regulation 19 (general disregards in the calculation of income)—

(a) in paragraph (2)—

- (i) omit the “and” after “Jobseeker’s Allowance Regulations 1996;”,
- (ii) after “Jobseeker’s Allowance (Northern Ireland) Regulations 1996”, for “.” substitute—

“; and

“Scottish local authority” means a council constituted under section 2 of the Local Government etc. (Scotland) Act 1994(4).”

(b) in Table 6 (sums disregarded in the calculation of income)—

- (i) in item 22 omit the wording from “In this item” to the end, and
- (ii) after item 44 insert—

“45. Any payment made by the Post Office or the Secretary of State for the purpose of providing compensation which is—

- (a) in connection with the failings of the Horizon System, or
- (b) otherwise payable following the judgment of *Bates and Others v Post Office Limited* ((No. 3) “Common Issues”)(5).

In this item—

- (a) “the Horizon System” means a version of the computer system used by the Post Office known as Horizon, Horizon Legacy, Horizon Online or HNG-X;
- (b) “the Post Office” means Post Office Limited (registered number 02154540).

46. Any payment made by a Scottish local authority to parents, under section 20 of the Local Government in Scotland Act 2003(6), as part of the scheme entitled Parental Transitions Support(7), to ease progression into work, the eligibility for which is dependent on—

- (a) the receipt of certain social security benefits, as specified by that scheme, and
- (b) the receipt of a formal offer to start work.

47. Any payment made by a housing association or local authority in England, from funding granted by the Department for Work and Pensions

(3) S.I. 2002/2006, relevantly amended by S.I. 2003/732, 2003/2815, 2004/762, S.I. 2004/1748 (W. 185), 2006/766, 2009/2887, 2010/751, 2010/2914, 2011/721, 2013/591, 2014/513, 2016/360, 2016/978, 2018/365, 2019/364, 2020/297, 2020/534, 2020/941, 2020/1515, 2021/495, 2021/810, 2021/1286, 2022/346 and 2023/1139.

(4) 1994 c. 39. Section 2 was amended by Schedule 22 to the Environment Act 1995 (c. 25).

(5) [2019] EWHC 606 (QB).

(6) 2003 asp 1.

(7) Details of the scheme have been published at <https://www.gov.scot/publications/parental-transitions-support-guidance-for-local-authorities>. Paper copies of all relevant documentation relating to the scheme are available for inspection at: His Majesty’s Revenue and Customs, 100 Parliament Street, London, SW1A 2BQ.

under section 2 of the Employment Act(8), to a person residing in social housing, as an incentive to enter employment.”.

Amendment of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002

4.—(1) The Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002(9) are amended as follows.

(2) In regulation 17 (severe disability element)—

- (a) in paragraph (1) for “(2) or (3) or (4) or (5)” substitute “(2), (3), (4), (5) or (6)”,
- (b) for paragraph (5), substitute—

“(5) A person satisfies this paragraph if the enhanced rate of the daily living component of the Adult Disability Payment under regulation 5(3) of the Disability Assistance for Working Age People (Scotland) Regulations 2022(10)—

- (a) is payable in respect of that person; or
- (b) would be so payable but for regulation 28 (effect of admission to hospital on ongoing entitlement to Adult Disability Payment) of those Regulations.”, and

(c) after paragraph (5), insert—

“(6) A person satisfies this paragraph if they—

- (a) have reached pensionable age (within the meaning given by the rules in Part 1 of Schedule 4 to the Pensions Act 1995(11)),
- (b) and the higher rate of Scottish disability assistance(12)—
 - (i) is payable in respect of that person; or
 - (ii) would be so payable but for a reduction because that person is undergoing medical or other treatment as an in-patient at a hospital or similar institution.”.

Scott Mann
Amanda Milling

Two of the Lords Commissioners of His
Majesty's Treasury

20th February 2024

(8) “the Employment Act” is defined in regulation 2(1) of S.I. 2002/2006 as the Employment and Training Act 1973 (c. 50).

(9) S.I. 2002/2005, relevantly amended by S.I. 2013/388, 2013/591 and 2021/1286.

(10) S.S.I 2022/54. There are no relevant amendments.

(11) 1995 c. 26, relevantly amended by Schedule 2 to the State Pensions Credit Act 2002 (c. 16), Schedule 3 to the Pensions Act 2007 (c. 22), Schedule 3 to the Welfare Reform Act 2007 (c. 5), section 1 of the Pensions Act 2011 (c. 19), section 26 of and Schedule 12 to the Pensions Act 2014 (c. 19).

(12) The term “Scottish disability assistance” is defined in regulation 2 (interpretation) of S.I. 2002/2005 and was inserted by S.I. 2021/1286.

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 tax credits legislation.

Regulation 2 amends regulation 8 of the Child Tax Credit Regulations 2002 (S.I. 2002/2007) to designate, as disabled or severely disabled, for the purposes of child tax credit, persons who receive a reduced or nil rate of Scottish disability assistance because they are an in-patient in a hospital or similar institution.

Regulation 3 amends regulation 19 and Table 6 of the Tax Credits (Definition and Calculation of Income) Regulations 2002 (S.I. 2002/2006), to disregard certain payments from the calculation of income for tax credits purposes.

Regulation 4 amends and makes consequential amendments to regulation 17 of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 (S.I. 2002/2005) so that persons who are in receipt of certain Scottish disability payments (or who would be but for being an in-patient at a hospital or similar institution) are entitled to the severe disability element of working tax credits.

A full impact assessment has not been produced for this instrument as no impact on the private, voluntary or public sectors is foreseen.