

WELFARE REFORM ACT 2012

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 5: Social security: General

Section 122: Tax credit fraud: investigation

630. Sections 109A (authorisations for investigators), 109B (power to require information) and 109C (right of entry) of the SSAA 1992 provide a framework within which authorised persons can investigate whether social security benefit is properly payable.
631. As TCA 2002 is not social security legislation, tax credits are not classed as relevant social security benefits. Therefore the definition of benefit offence does not apply to them under the SSAA 1992. This means that, at present, the Secretary of State's powers to investigate do not extend to investigating whether tax credit fraud is or has been committed.
632. *Section 122* extends the Secretary of State's powers of investigation to cover investigations in respect of the commission, or suspected commission, of tax credit fraud by inserting new *subsection (9)* into section 109A (authorisations for investigators). New subsection (9) also applies to sections 109B (power to require information), 109BA (power to require electronic access to information) and 109C (right of entry). To achieve this, new subsection (9) treats TCA 2002 as relevant social security legislation and also treats child tax credit and working tax credit as relevant social security benefits in defining what is meant by benefit offence.