This Statutory Instrument has been made in part as a consequence of a defect in S.I. 2018/1130 and is being issued free of charge to all known recipients of that Statutory Instrument.

STATUTORY INSTRUMENTS

2019 No. 364

TAX CREDITS

SOCIAL SECURITY

CHILDCARE

PAYMENT SCHEME

The Tax Credits, Child Benefit and Childcare Payments (Miscellaneous Amendments) Regulations 2019

Made - - - -	*25th February 2019*
Laid before Parliament	*27th February 2019*
Coming into force - -	*21st March 2019*

The Treasury, in exercise of the powers conferred by sections 3(7), 7(8) and (9), 9, 10, 11, 12(4)(b), 43, 54(1) and 65(1), (7) and (9) of the Tax Credits Act 2002(**a**), sections 146(3) and 175(1), (1A), (3) and (4) of the Social Security Contributions and Benefits Act 1992(**b**), and sections 142(3) and 171(1), (3), (4) and (10) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(**c**), and now exercisable by them(**d**), make the following Regulations (apart from regulations 5, 6, 8, 10 and 12) and the Commissioners for Her Majesty's Revenue and Customs, in exercise of the powers conferred by sections 4, 6, 21, 50(1) and (2)(b), 54(2), 58 and 65(2), (7) and (9) of the Tax Credits Act 2002, sections 5(1)(k), (2)(a) and (g), and 189(6) of the

(**a**) 2002 c. 21; sections 4 and 11 were amended by paragraph 145 and, in the case of section 4, paragraph 146 of Schedule 24 to the Civil Partnership Act 2004 (c. 33). Section 9(3B) was inserted by section 13 of the Welfare Reform and Work Act 2016 (c.7). Section 67 defines "prescribed" as meaning "prescribed by regulations". Although section 67 has been amended, the amendment is not relevant for the purposes of this instrument.

(**b**) 1992 c. 4; section 146 was substituted by section 56(1) of the Tax Credits Act 2002 and subsection (3) of section 146 was amended by paragraph 3(b) of Part 1 of Schedule 1 to the Child Benefit Act 2005 (c. 6). Subsection (1A) of section 175 was inserted by, and subsection (4) of section 175 was amended by, paragraph 29 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2), and subsection (1A) was amended by Schedule 6 to the Tax Credits Act 2002. Section 147(1) defines "prescribed" as meaning "prescribed by regulations".

(**c**) 1992 c. 7; section 142 was substituted by section 56(2) of the Tax Credits Act 2002 and subsection (3) of section 142 was amended by paragraph 39(3) of Part 2 of Schedule 1 to the Child Benefit Act 2005. Section 143(1) defines "prescribed" as meaning "prescribed by regulations".

(**d**) The powers of the Secretary of State under section 146(3) of the Social Security Contributions and Benefits Act 1992 were transferred to the Treasury by section 49(1)(b) of the Tax Credits Act 2002. The powers of the Department for Social Development in Northern Ireland under section 142(3) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7) were transferred to the Treasury by section 49(2)(b) of the Tax Credits Act 2002.

Social Security Administration Act 1992(**a**) and sections 5(1)(l), (2)(a) and (g), and 165(6) of the Social Security Administration (Northern Ireland) Act 1992(**b**), and now exercisable by them(**c**), and sections 2(3)(a) and 69(3) and (4) of the Childcare Payments Act 2014(**d**), make regulations 1, 5, 6, 8, 10 and 12.

Citation and commencement

1. These Regulations may be cited as the Tax Credits, Child Benefit and Childcare Payments (Miscellaneous Amendments) Regulations 2019 and come into force on 21st March 2019.

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

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

(2) In regulation 2(1) (interpretation), in the definition of "training allowance", in paragraph (a), for "Employment and Learning" substitute "Communities or the Department for the Economy(**f**)".

(3) In regulation 4(2A)(b) (entitlement to basic element)(**g**), for "Social Development" substitute "Communities".

(4) In regulation 14(**h**)—

(a) in paragraph (1B)—

(i) omit the "and" at the end of sub-paragraph (c), and

(ii) after sub-paragraph (d) insert—

"; and

(e) "Ministry of Defence personnel" means Her Majesty's forces, which has the same meaning as in the Armed Forces Act 2006(**i**), and their families, and civil servants employed by the Ministry of Defence and their families.", and

(b) in paragraph (2)—

(i) in sub-paragraph (c)(iii), for "an Education and Library Board" substitute "the Education Authority", and

(ii) for sub-paragraph (d), but not the "or", substitute—

(**a**) 1992 c. 5; section 189(6) was amended by paragraph 1 of Schedule 1 to S.I. 2013/252. There are other amending instruments but none is relevant. Section 191, as amended by paragraph 10 of Schedule 5 to the Welfare Reform Act 2007 (c. 5), defines "prescribed" as meaning "prescribed by regulations".

(**b**) 1992 c. 8; section 165(6) was amended by paragraph 1 of Schedule 7 to S.I. 1998/1506. There are other amending instruments but none is relevant. Section 161(1), amended by paragraph 5 of Schedule 5 to the Welfare Reform Act (Northern Ireland) 2007 (c. 2), defines "prescribed" as meaning "prescribed by regulations".

(**c**) The powers under the Social Security Administration Act 1992 and the Social Security Administration (Northern Ireland) Act 1992 for which the Secretary of State and the Northern Ireland Department were responsible were transferred to the Commissioners of Inland Revenue by section 50 of the Tax Credits Act 2002. These powers, and the payment and management of tax credits, were then transferred from the Commissioners of Inland Revenue to the Commissioners for Her Majesty's Revenue and Customs by section 5(1) of the Commissioners for Revenue and Customs Act (c. 11) ("CRCA"). Paragraph (88) of Schedule 4 to CRCA amends section 2 of the Tax Credits Act 2002 so that the Commissioners for Her Majesty's Revenue and Customs have the power to make these Regulations. Section 50(1) of CRCA provides that, in so far as is appropriate in consequence of section 5 of CRCA, a reference, howsoever expressed, to the Commissioners of Inland Revenue is to be taken as a reference to the Commissioners for Her Majesty's Revenue and Customs.

(**d**) 2014 c. 28.

(**e**) S.I. 2002/2005; relevant amending instruments are S.I. 2003/701, S.I. 2004/762 and S.I. 2004/1276.

(**f**) The functions which were exercised by the Department for Employment and Learning were transferred to the Department for Communities and the Department for the Economy by Article 6(1)(b) of S.R. 2016 No. 76.

(**g**) Paragraph (2A)(b) was inserted by regulation 5(3) of S.I. 2004/762. The Department for Social Development was renamed the Department for Communities by section 1(7) of the Departments Act (Northern Ireland) 2016 (c. 5).

(**h**) Paragraph (1B) was inserted by regulation 13(3) of S.I. 2003/701. Regulation 14(2)(d) was amended by regulation 13(4)(a) of S.I. 2003/701 and regulation 14(2)(c)(iii) was inserted by regulation 2(2)(c)(ii) of 2004/1276. The Education and Library Boards were dissolved with the repeal of article 3 of the Education and Libraries (Northern Ireland) Order 1986 No. 594 (N.I. 3), by Schedules 2 and 4 to the Education Act (Northern Ireland) 2014 (c. 12), and S.R. 2015 No. 35. Paragraph (4) of Schedule 2 to the Education Act (Northern Ireland) 2014 provides that any reference to a dissolved body is to be construed as a reference to the Education Authority.

(**i**) 2006 c. 52.

"(d) anywhere outside the United Kingdom—

(i) by a child care provider, which is inspected by a person whose functions include regulating the provision of child care in accordance with the statutory requirements of the Department for Education, where a claim is made by Ministry of Defence personnel; or

(ii) in any other case, where care is provided within an EEA state or Switzerland, by a child care provider which is approved, regulated or accredited under the legislation of the relevant state, by a person whose functions include regulating the provision of education or child care;".

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

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

(2) In regulation 4 (employment income)(**b**), in Table 1 (payments and benefits disregarded in the calculation of employment income), omit entry 16A and entry 16B.

(3) In regulation 6 (trading income)(**c**), after "disregarding" insert "the relevant benefit amount in section 23E (tax treatment of relevant benefits)(**d**) and".

(4) In regulation 10(2) (investment income)(**e**), at the end of sub-paragraph (e), but before the full stop, insert—

"; and

(f) any interest on a payment made under, or in connection with, the Windrush Compensation Scheme(**f**) administered by the Home Office, for the period beginning on the date on which the payment is made and ending 52 weeks after that date".

(5) In regulation 19 (general disregards in the calculation of income), in Table 6 (sums disregarded in the calculation of income), after entry 22(**g**) insert—

"23. Any discretionary payment made pursuant to the Discretionary Support Regulations (Northern Ireland) 2016(**h**).
24. Any payment made under, or in connection with, the Windrush Compensation Scheme administered by the Home Office.".

(**a**) S.I. 2002/2006; relevant amending instruments are S.I. 2006/766, S.I. 2008/2169, and S.I. 2018/365. Certain functions which were exercised by the Department of Economic Development under the Employment and Training Act (Northern Ireland) 1950 (c.29) were transferred to the Department of Higher and Further Education, Training and Employment by article 4 of, and Part 2 of Schedule 2 to, S.I. 1999/481. The Department of Higher and Further Education, Training and Employment was renamed as the Department for Employment and Learning by section 1 of the Employment and Learning Act (Northern Ireland) 2001 (c. 15).

(**b**) Entry 16A was inserted by regulation 9(3) of S.I. 2006/766; entry 16B was inserted by regulation 4(b) of S.I. 2008/2169.

(**c**) Regulation 6 was amended by regulation 11 of S.I. 2006/766.

(**d**) Section 23E of the Income Tax (Trading and Other Income) Act 2005 (c. 5) was inserted by section 35(2) of the Finance (No. 2) Act 2017 (c. 32).

(**e**) Regulation 10(2)(c) to (e) was amended by regulation 14(3) of S.I. 2006/766.

(**f**) "Windrush", Parliamentary Debates (Hansard), House of Commons, April 23 2018, col. 621-622.

(**g**) Entry 22 was inserted by regulation 2(6) of S.I. 2018/365.

(**h**) S.I. 2016/270.

Amendment of the Child Tax Credit Regulations 2002

4.—(1) The Child Tax Credit Regulations 2002(**a**) are amended as follows.

(2) In regulation 2(1) (interpretation)(**b**), in the definition of "qualifying body", in paragraph (c), for the words from "Employment and Learning" to "1986" substitute "Communities, the Department for the Economy or the Education Authority".

(3) In regulation 14 (continuation of certain exceptions)(**c**)—

(a) in paragraph (2)(d), omit "its reference to",

(b) in paragraph (4)(d), omit "its reference to", and

(c) in paragraph (5)(d), for "the reference to regulation 10 in paragraph (2)" substitute "regulation 10".

Amendment of the Tax Credits (Claims and Notifications) Regulations 2002

5.—(1) The Tax Credits (Claims and Notifications) Regulations 2002(**d**) are amended as follows.

(2) In regulation 2 (interpretation), in the definition of "relevant authority", in paragraph (b), for "Social Development" substitute "Communities".

Amendment of the Tax Credits (Administrative Arrangements) Regulations 2002

6.—(1) The Tax Credits (Administrative Arrangements) Regulations 2002(**e**) are amended as follows.

(2) In regulation 2 (interpretation), in the definition of "relevant authority" in paragraph (b), for "Social Development" substitute "Communities".

(3) In regulation 5 (recording, verification and holding, and forwarding, of claims etc. received by relevant authorities)(**f**)—

(a) in paragraph (3), in sub-paragraph (b)(ii), for "Social Development" substitute "Communities", and

(b) in paragraph (6), in sub-paragraph (a)(ii), for "Social Development" substitute "Communities".

Amendment of the Tax Credits (Residence) Regulations 2003

7.—(1) The Tax Credits (Residence) Regulations 2003(**g**) are amended as follows.

(2) In regulation 3 (circumstances in which a person is treated as not being in the United Kingdom)(**h**)—

(a) in paragraph (4), for "Council Directive No 2004/38/EC" substitute "the Immigration (European Economic Area) Regulations 2016"(**i**),

---

(**a**) S.I. 2002/2007; relevant amending instruments are S.I. 2008/2169, S.I. 2010/2914, S.I. 2017/387 and S.I. 2018/1130.
(**b**) The definition of "qualifying body" was inserted by regulation 7(4) of S.I. 2008/2169 and was amended by regulation 9 of S.I. 2010/2914.
(**c**) Regulation 14 was inserted by regulation 5 of S.I. 2017/387.
(**d**) S.I. 2002/2014; the definition of "relevant authority" was inserted by regulation 3(1) of S.I. 2003/723. There are other amending instruments but none is relevant.
(**e**) S.I. 2002/3036; to which there are amendments not relevant to these Regulations.
(**f**) The functions of the Department of Health and Social Services for Northern Ireland under the Social Security Contributions and Benefits (Northern Ireland) Act 1992 were transferred to the Department for Social Development in Northern Ireland by article 8(b) of, and Part 2 of Schedule 6 to, S.R. 1999 No. 481.
(**g**) S.I. 2003/654; relevant amending instruments are S.I. 2004/1243, S.I. 2012/2612 and S.I. 2014/1511.
(**h**) Paragraph (5) of regulation 3 was inserted by regulation 3 of S.I. 2004/1243 and was amended by regulation 6 of S.I. 2012/2612. Paragraphs (6) to (8) of regulation 3 were inserted by regulation 6 of S.I. 2014/1511.
(**i**) S.I. 2016/1052; relevantly amended by S.I. 2018/801.

(b) for paragraph (5)(b)(ii) substitute—

"(ii) has a right to reside under paragraph (1) of regulation 16 of the Immigration (European Economic Area) Regulations 2016, but only in a case where the right exists under that regulation because the person satisfies the criteria in paragraph (5) of that regulation.",

(c) after paragraph (5) insert—

"(5A) Paragraph (5)(b)(ii) does not apply to a person who is lawfully working in the United Kingdom and is a national of a State with which the European Union has concluded an agreement under Article 217 of the Treaty on the Functioning of the European Union(**a**) providing, in the field of social security, for the equal treatment of workers who are nationals of the signatory State and their families.",

(d) in paragraph (7)—

(i) in sub-paragraph (b), for "Council Directive 2004/38/EC (rights of citizens of the European Union and their family members to move and reside freely within the territory of the Member States)" substitute "regulation 4(1)(a) or (b) of the Immigration (European Economic Area) Regulations 2016",

(ii) in sub-paragraph (c), for "Article 7(3) of Council Directive 2004/38/EC" substitute "regulation 6(2) or (4) of the Immigration (European Economic Area) Regulations 2016", and

(iii) in sub-paragraph (i), for "Council Directive 2004/38/EC" substitute "the Immigration (European Economic Area) Regulations 2016", and

(e) in paragraph (8), for "Article 2 of Council Directive 2004/38/EC" substitute "regulation 7 of the Immigration (European Economic Area) Regulations 2016".

Amendment of the Tax Credits (Official Error) Regulations 2003

8.—(1) The Tax Credits (Official Error) Regulations 2003(**b**) are amended as follows.

(2) In regulation 2(1) (interpretation), in the definition of "official error", in paragraph (c), for "Social Development" substitute "Communities".

Amendment of the Tax Credits (Polygamous Marriages) Regulations 2003

9.—(1) The Tax Credits (Polygamous Marriages) Regulations 2003(**c**) are amended as follows.

(2) In regulation 25A (which modifies regulation 9 of the Child Tax Credit Regulations 2002)(**d**)—

(a) for paragraph (a) substitute—

"(a) in paragraphs (1), (3) and (5) for "either or both" (in each place they appear) substitute "any or all";", and

(b) omit paragraph (b).

(**a**) OJ C 202, 7.6.2016, p.144.
(**b**) S.I. 2003/692; to which there are amendments not relevant to these Regulations.
(**c**) S.I. 2003/742; relevant amending instruments are S.I. 2017/387 and S.I. 2018/1130.
(**d**) Regulation 25A was inserted by regulation 10 of S.I. 2017/387 and was amended by regulation 6(2) of S.I. 2018/1130.

Amendment of the Child Benefit and Guardian's Allowance (Administration) Regulations 2003

10.—(1) The Child Benefit and Guardian's Allowance (Administration) Regulations 2003(**a**) are amended as follows.

(2) In regulation 9 (withdrawing claims)(**b**)—

(a) for paragraph (1) substitute—

"(1) A person who has made a claim for child benefit or guardian's allowance may withdraw it by giving notice—

(a) in writing to the Board,

(b) by telephone to the Board, or

(c) in such other manner as the Board may accept as sufficient in the circumstances of the particular case.", and

(b) in paragraph (2), for "(1)" substitute "(1)(a)".

Amendment of the Child Benefit (General) Regulations 2006

11.—(1) The Child Benefit (General) Regulations 2006(**c**) are amended as follows.

(2) In regulation 1(3) (citation, commencement and interpretation)(**d**), in the definition of "arrangements made by the Government", in paragraph (c), for "Employment and Learning" substitute "Communities or the Department for the Economy".

(3) In regulation 5(4) (extension period: 16 and 17 year olds) in sub-paragraph (c), for the words from "Employment and Learning" to "1986" substitute "Communities, the Department for the Economy or the Education Authority;".

(4) In regulation 23 (circumstances in which person treated as not being in Great Britain)(**e**)—

(a) for paragraph (4)(b) substitute—

"(b) has a right to reside by virtue of paragraph (1) of regulation 16 of the Immigration (European Economic Area) Regulations 2016, but only in a case where a right exists under that regulation because that person satisfies the criteria in paragraph (5) of that regulation.",

(b) after paragraph (4) insert—

"(4A) Paragraph (4)(b) does not apply to a person who is lawfully working in Great Britain and is a national of a State with which the European Union has concluded an agreement under Article 217 of the Treaty on the Functioning of the European Union providing, in the field of social security, for the equal treatment of workers who are nationals of the signatory State and their families.",

(c) in paragraph (6)—

(i) in sub-paragraph (b), for "Council Directive 2004/38/EC (rights of citizens of the European Union and their family members to move and reside freely within the territory of the Member States)" substitute "regulation 4(1)(a) or (b) of the Immigration (European Economic Area) Regulations 2016",

(ii) in sub-paragraph (c), for "Article 7(3) of Council Directive 2004/38/EC" substitute "regulation 6(2) or (4) of the Immigration (European Economic Area) Regulations 2016", and

---

(**a**) S.I. 2003/492; relevantly amended by S.I. 2006/203.
(**b**) "The Board" is defined in regulation 2, as amended by regulation 2 of S.I. 2006/203, to mean the Commissioners for Her Majesty's Revenue and Customs.
(**c**) S.I. 2006/223; relevant amending instruments are S.I. 2007/2150, S.I. 2012/818, S.I. 2012/2612 and S.I. 2014/1511.
(**d**) The definition of "arrangements made by the Government" was amended by regulation 5 of S.I. 2012/818.
(**e**) Regulation 23 was amended by regulation 3 of S.I. 2012/2612 and regulation 3 of S.I. 2014/1511.

(iii) in sub-paragraph (i), for "Council Directive 2004/38/EC" substitute "the Immigration (European Economic Area) Regulations 2016", and

(d) in paragraph (7), for "Article 2 of Council Directive 2004/38/EC" substitute "regulation 7 of the Immigration (European Economic Area) Regulations 2016".

(5) In regulation 27 (circumstances in which person treated as not being in Northern Ireland)(**a**)—

(a) for paragraph (3)(b) substitute—

"(b) has a right to reside in the United Kingdom by virtue of paragraph (1) of regulation 16 of the Immigration (European Economic Area) Regulations 2016, but only in a case where a right exists under that regulation because that person satisfies the criteria in paragraph (5) of that regulation.",

(b) after paragraph (3) insert—

"(3A) Paragraph (3)(b) does not apply to a person who is lawfully working in Northern Ireland and is a national of a State with which the European Union has concluded an agreement under Article 217 of the Treaty on the Functioning of the European Union providing, in the field of social security, for the equal treatment of workers who are nationals of the signatory State and their families.",

(c) in paragraph (5)—

(i) in sub-paragraph (b), for "Council Directive 2004/38/EC" substitute "regulation 4(1)(a) or (b) of the Immigration (European Economic Area) Regulations 2016",

(ii) in sub-paragraph (c), for "Article 7(3) of Council Directive 2004/38/EC" substitute "regulation 6(2) or (4) of the Immigration (European Economic Area) Regulations 2016", and

(iii) in sub-paragraph (i), for "Council Directive 2004/38/EC" substitute "the Immigration (European Economic Area) Regulations 2016", and

(d) in paragraph (6), for "Article 2 of Council Directive 2004/38/EC" substitute "regulation 7 of the Immigration (European Economic Area) Regulations 2016".

Amendment of the Childcare Payments Regulations 2015

12. (1)—The Childcare Payments Regulations 2015(**b**) are amended as follows.

(2) In regulation 3 (qualifying childcare: registered or approved childcare)—

(a) for paragraph (6) substitute—

"(6) Care provided for a child outside the United Kingdom—

(a) where the care is provided by a Ministry of Defence approved childcare provider which is inspected by a person whose functions include regulating the provision of childcare in accordance with the statutory requirements of the Department for Education, or

(b) in any other case, where care is provided within an EEA state by a childcare provider which is approved, regulated or accredited under the legislation of the relevant state, by a person whose functions include regulating the provision of education or childcare.", and

(b) in paragraph (10) at the appropriate place insert—

""Ministry of Defence approved childcare provider" means a childcare provider, outside the United Kingdom, approved by the Ministry of Defence for use by Her Majesty's forces, which has the same meaning as in the Armed Forces Act 2006(**c**), and

---

(**a**) Regulation 27(3) was amended by regulation 10 of S.I. 2007/2150 and regulation 4 of S.I. 2012/2612. Paragraphs (5) and (6) of regulation 27 were inserted by regulation 4 of S.I. 2014/1511.

(**b**) S.I. 2015/522; to which there are amendments that are not relevant to these Regulations.

(**c**) 2006 c. 52.

their families, and civil servants employed by the Ministry of Defence and their families;".

Mike Freer
Craig Whittaker
25th February 2019 Two of the Lords Commissioners of Her Majesty's Treasury

Melissa Tatton
Justin Holliday
25th February 2019 Two of the Commissioners for Her Majesty's Revenue and Customs

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 (S.I. 2002/2005) ("the Entitlement Regulations"), the Tax Credits (Definition and Calculation of Income) Regulations 2002 (S.I. 2002/2006) ("the Income Regulations"), the Child Tax Credit Regulations 2002 (S.I. 2002/2007) ("the Child Tax Credit Regulations"), the Tax Credits (Claims and Notifications) Regulations 2002 (S.I. 2002/2014), the Tax Credits Regulations 2002 (S.I. 2002/3036), the Tax Credits (Residence) Regulations 2003 (S.I. 2003/654) ("the Residence Regulations"), the Tax Credits (Official Error) Regulations 2003 (S.I. 2003/692), the Tax Credits (Polygamous Marriages) Regulations 2003 (S.I. 2003/742) ("the Polygamous Marriages Regulations"), the Child Benefit and Guardian's Allowance (Administration) Regulations 2003 (S.I. 2003/492) ("the Child Benefit and Guardian's Allowance Regulations"), the Child Benefit (General) Regulations 2006 (S.I. 2006/223) ("the Child Benefit Regulations") and the Childcare Payments Regulations 2015 (S.I. 2015/522) ("the Childcare Regulations").

Regulation 1 provides for citation and commencement.

The following regulations make amendments to replace out of date references to Northern Ireland Government Departments and the Library Boards as a consequence of transfers of functions: regulations 2(2) and (3), 4(2), 5, 6, 8 and 11(2) and (3).

Regulation 2 amends the Entitlement Regulations. Paragraph (4) amends regulation 14 to prescribe what is permitted overseas childcare for the purposes of entitlement to the childcare element of working tax credits.

Regulation 3 amends the Income Regulations. Paragraph (2) amends regulation 4 to remove references to payments that are no longer made. Paragraph (3) amends regulation 6 so that the "relevant benefit amount" (as defined by section 23E of the Income Tax (Trading and Other Income) Act 2005 (c. 5)) does not form part of a trader's taxable profits in the calculation of that trader's income for the purposes of their entitlement to tax credits. Paragraph (4) amends regulation 10 so that interest arising on payments made under, or in connection with, the Windrush Compensation Scheme administered by the Home Office is disregarded in the calculation of a person's investment income for the purposes of their entitlement to tax credits, for a period of 52 weeks. Paragraph (5) amends regulation 19 so that any discretionary payment made to a person pursuant to the Discretionary Support Regulations (Northern Ireland) 2016 (S.I. 2016/270) and any payment made under, or in connection with, the Windrush Compensation Scheme administered by the Home Office is disregarded in the calculation of that person's income for the purposes of their entitlement to tax credits.

Regulation 4 amends the Child Tax Credit Regulations. Paragraph (3) makes consequential amendments to regulation 14 which should have been made by regulation 5 of the Child Tax Credit (Amendment) Regulations 2018 (S.I. 2018/1130). A similar consequential amendment is made by regulation 9 to regulation 25A of the Polygamous Marriage Regulations which should have been made by regulation 6 of S.I. 2018/1130. As a consequence of the omission to make these amendments, this instrument is being issued free of charge to all known recipients of S.I. 2018/1130.

Regulation 7 amends regulation 3 of the Residence Regulations. Paragraph (2) makes amendments to replace out of date references to the Immigration (European Economic Area) Regulations 2006 and to EU legislation with references to the Immigration (European Economic Area) Regulations 2016 (S.I. 2016/1052). Paragraph (2) also inserts a new paragraph (5A) in regulation 3 providing that paragraph (5)(b)(ii) of that regulation does not apply to a person who is lawfully working in the United Kingdom and is a national of a State with which the European Union has concluded an agreement under Article 217 of the Treaty on the Functioning of the European Union providing, in the field of social security, for the equal treatment of workers who are nationals of the signatory State and their families.

Regulation 10 amends regulation 9 of the Child Benefit Regulations to extend the ways in which a person who has made a claim for child benefit or guardian's allowance can withdraw that claim.

Regulation 11 amends the Child Benefit Regulations. Paragraphs (4) and (5) amend regulations 23 and 27 by replacing out of date references to the Immigration (European Economic Area) Regulations 2006 and to EU legislation with references to the Immigration (European Economic Area) Regulations 2016. Paragraphs (4) and (5) also insert new paragraphs (4A) and (5A) in regulations 23 and 27 of the Child Benefit Regulations respectively, providing that paragraphs (4)(b) and (3)(b) of the respective regulations do not apply to a person who is lawfully working in Great Britain or Northern Ireland and is a national of a State with which the European Union has concluded an agreement under Article 217 of the Treaty on the Functioning of the European Union providing, in the field of social security, for the equal treatment of workers who are nationals of the signatory State and their families.

Regulation 12 amends regulation 3 of the Childcare Regulations to prescribe what is permitted overseas childcare for the purposes of the childcare payments scheme.

A full impact assessment has not been produced for regulations 2 to 11 because no impact on the private or voluntary sectors is foreseen. In relation to regulation 12 a full impact assessment of the effect that the childcare payments scheme will have on the costs of business and the voluntary sector was published on 10th June 2014 alongside the draft Childcare Payments Bill and was updated on 20th November 2014 and again on 30th March 2017. These are available from the gov.uk website at https:www.gov.uk/government/publications/tax-free-childcare-impact-assessment-march-2017.

© Crown copyright 2019

Printed and published in the UK by The Stationery Office Limited under the authority and superintendence of Jeff James, Controller of Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament.

£6.90

UK201902261000 03/2019 19585

http://www.legislation.gov.uk/id/uksi/2019/364

ISBN 978-0-11-118215-4

9 780111 182154