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STATUTORY INSTRUMENTS

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**2019 No. 867**

**EXITING THE EUROPEAN UNION  
SOCIAL SECURITY  
TAX CREDITS**

**The Child Benefit and Child Tax Credit  
(Amendment) (EU Exit) Regulations 2019**

<i>Made</i>	- - - -	<i>11th April 2019</i>
<i>Laid before Parliament</i>		<i>16th April 2019</i>
<i>Coming into force</i>	- -	<i>7th May 2019</i>

The Treasury, in exercise of the powers conferred by sections 146(3) and 175(1) and (3) of the Social Security Contributions and Benefits Act 1992(1), sections 142(3) and 171(1) and (3) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(2) and now exercisable by them(3), and sections 3(7) and 65(1) and (7) of the Tax Credits Act 2002(4), make the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Child Benefit and Child Tax Credit (Amendment) (EU Exit) Regulations 2019 and come into force on 7th May 2019.

**Amendment of the Child Benefit (General) Regulations 2006**

2.—(1) The Child Benefit (General) Regulations 2006(5) are amended as follows.

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- (1) 1992 c. 4; section 146 was substituted by section 56(1) of the Tax Credits Act 2002 (c. 21) and subsection (3) of section 146 was subsequently amended by paragraph 13(3)(b) of Part 1 of Schedule 1 to the Child Benefit Act 2005 (c. 6). Section 175 was amended by paragraph 29(2) of Schedule 3 to the Social Security Contributions (Transfer of Functions etc.) Act 1999 (c. 2). Section 147(1) defines “prescribed” as meaning “prescribed by regulations”.
  - (2) 1992 c. 7; section 142 was substituted by section 56(2) of the Tax Credits Act 2002 and subsection (3) of section 142 was subsequently amended by paragraph 39(3) of Part 2 of Schedule 1 to the Child Benefit Act 2005. Section 171(1) was amended by paragraph 5 of Schedule 4 to the Tax Credits Act 2002. Section 143(1) defines “prescribed” as meaning “prescribed by regulations”.
  - (3) 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 were transferred to the Treasury by section 49(2)(b) of the Tax Credits Act 2002.
  - (4) 2002 c. 21; section 67 defines “prescribed” as meaning “prescribed by regulations”. Section 67 has been amended, but the amendment is not relevant for the purposes of this instrument.
  - (5) S.I. 2006/223; relevant amending instruments are S.I. 2007/2150, S.I. 2012/2612 and S.I. 2019/364.

(2) In regulation 23(4) (circumstances in which person treated as not being in Great Britain)(6)—

- (a) omit “or” at the end of sub-paragraph (a), and
- (b) after sub-paragraph (b), but before the full stop, insert—

“; or

- (c) would fall within sub-paragraph (a) or (b) but for the fact that that person has limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971(7) which has been granted by virtue of Appendix EU to the immigration rules(8)

(3) In regulation 27(3) (circumstances in which person treated as not being in Northern Ireland)(9)—

- (a) omit “or” at the end of sub-paragraph (a), and
- (b) after sub-paragraph (b), but before the full stop, insert—

“; or

- (c) would fall within sub-paragraph (a) or (b) but for the fact that that person has limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971 which has been granted by virtue of Appendix EU to the immigration rules”.

### **Amendment of the Tax Credits (Residence) Regulations 2003**

3.—(1) The Tax Credits (Residence) Regulations 2003(10) are amended as follows.

(2) In regulation 3(5) (circumstances in which a person is treated as not being in the United Kingdom)(11)—

- (a) omit “or” at the end of sub-paragraph (b)(i), and
- (b) after paragraph (b)(ii), but before the full stop, insert—

“; or

- (iii) would fall within paragraph (i) or (ii) but for the fact that that person has limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971 which has been granted by virtue of Appendix EU to the immigration rules”.

*Rebecca Harris*

*Mike Freer*

Two of the Lords Commissioners of Her Majesty’s Treasury

11th April 2019

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(6) Regulation 23 was amended by regulation 8 of [S.I. 2007/2150](#), regulation 3 of [S.I. 2012/2612](#) and regulation 11 of [S.I. 2019/364](#).

(7) [1971 c. 77](#); there are amendments but none is relevant for the purposes of this instrument.

(8) Laid before Parliament on 23rd May 1994 (HC 395), as amended. Appendix EU was laid before Parliament on 20th July 2018 (CM 9675).

(9) Regulation 27 was amended by regulation 10 of [S.I. 2007/2150](#), regulation 4 of [S.I. 2012/2612](#) and regulation 11 of [S.I. 2019/364](#).

(10) [S.I. 2003/654](#); relevant amending instruments are [S.I. 2004/1243](#), [S.I. 2012/2612](#) and [S.I. 2019/364](#).

(11) Regulation 3 was amended by regulation 3 of [S.I. 2004/1243](#), regulation 6 of [S.I. 2012/2612](#) and regulation 7 of [S.I. 2019/364](#).

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Child Benefit (General) Regulations 2006 ([S.I. 2006/223](#)) (“the Child Benefit Regulations”) and the Tax Credits (Residence) Regulations 2003 ([S.I. 2003/654](#)) (“the Residence Regulations”).

Regulation 2 inserts new paragraphs (4)(c) and (3)(c) into regulations 23 and 27 of the Child Benefit Regulations respectively. These provide that a person with limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971 which has been granted by virtue of Appendix EU is treated as not being in Great Britain or Northern Ireland, respectively, if that person would fall within paragraph (4)(a) or (b) of regulation 23, or paragraph (3)(a) or (b) of regulation 27, without such leave.

Regulation 3 inserts new paragraph (5)(b)(iii) into regulation 3 of the Residence Regulations which makes equivalent provision in relation to those Regulations.

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