

*These notes refer to the Tax Credits Act 1999 (c.10)  
which received Royal Assent on 30 June 1999*

# **TAX CREDITS ACT 1999**

---

## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### ***Section 11: Liability of company directors etc.***

*Section 11(1)* provides for ss.121C and 121D of the Social Security Administration Act 1992 (and corresponding Northern Ireland provisions) to apply in relation to the tax credits. This will relate to liability of directors for tax credits and allows for transfer of responsibility for unpaid tax credit debt to directors where they are considered to have acted in a fraudulent or negligent way. It provides for a notice to be served requiring payment of a proportion of the outstanding tax credits, and for appeals against a notice served under s.121C. The section applies the provision to prevent use of tax credits by directors for their own use.

*Section 11(2)* provides for amendments to apply the sections to the tax credits, so that the references are to officers of the Board of Inland Revenue, and powers under the sections are transferred to the Board in relation to the tax credits.

*Section 11(3)* provides that regulations made under section 11(2) shall be by negative procedure by both Houses of Parliament.