

TAX CREDITS ACT 2002

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 2: Child Benefit and Guardian's Allowance

Schedule 4: Transfer of functions: consequential amendments

Social Security Administration Act 1992

175. *Paragraph 2* removes the power to deduct overpaid child benefit or guardian's allowance from other benefits. At present, the power to recover benefits from child benefit or guardian's allowance is limited in effect, as it requires the consent of the claimant. As a result of the transfer to the Board, the link between child benefit and other social security benefits will be severed. In future, overpaid child benefit or guardian's allowance will only be recoverable directly from the claimant or from future payments.
176. *Paragraph 3* relates to the responsibility for setting rates of child benefit and guardian's allowance. For those benefits which remain the responsibility of the Secretary of State, any power to change the rates of those benefits will remain subject to the consent of the Treasury.

Social Security Administration (Northern Ireland) Act 1992

177. *Paragraph 8* mirrors the amendment made in paragraph 2 by removing the power to deduct overpaid child benefit or guardian's allowance from other social security benefits payable under Northern Ireland legislation.
178. *Paragraph 9* ensures that where an order is made in Great Britain up-rating child benefit or guardian's allowance, or where a mistake in the calculation of the rate of these benefits is rectified by the Treasury under its power to do so by regulations, the effect of the change is mirrored in Northern Ireland.

Social Security Act 1998

179. *Paragraph 15* provides for references to decisions by the Secretary of State to be construed, in relation to child benefit and guardian's allowance, as references to a decision of the Board, or of an officer of the Board.

Social Security (Northern Ireland) Order 1998

180. *Paragraph 19* provides for references to decisions by the Department in Northern Ireland to be construed, in relation to child benefit and guardian's allowance, as references to a decision of the Board, or of an officer of the Board.

Immigration and Asylum Act 1999

181. *Paragraph 21* enables the Treasury to make regulations providing that persons subject to immigration control are entitled to child benefit in prescribed circumstances.

*These notes refer to the Tax Credits Act 2002
(c.21) which received Royal Assent on 8 July 2002*

Paragraph 22 provides for the Treasury to make regulations allowing the backdating of entitlement to child benefit and guardian's allowance in certain circumstances when people who were subject to immigration control acquire refugee status.