

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

TAX CREDITS ACT 2002

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1: Tax Credits

Section 41: Annual review

157. This section requires the Treasury to review, each tax year, certain monetary amounts that are to be prescribed in regulations to see whether they have retained their value in relation to prices. The Treasury must prepare and lay before each House of Parliament a report of that review, stating what each amount would have been had it retained its value against prices.
158. The requirement applies to any monetary amount prescribed under the provisions listed in *subsection (2)*. The income thresholds at which each tax credit will start to be withdrawn will be prescribed under section 7(1)(a). The income threshold at which the family element of the child tax credit will start to be withdrawn will be prescribed under section 13(2). Any thresholds relating to changes in income between the current year and the previous year will be prescribed under section 7(3). The amounts for the various elements for child tax credit will be prescribed under section 9, and those for working tax credit under section 11. The requirement does not apply to the childcare element of the working tax credit.