

# CHILDCARE PAYMENTS ACT 2014

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### *Other Enforcement Powers*

#### *Section 49: Disqualification orders*

210. [Section 49](#) allows HMRC to disqualify a person from receiving support under the scheme by making a disqualification order.
211. Subsections (1) to (5) provide that HMRC can make a disqualification order against a person if any of these conditions apply:
- the person has been notified of a penalty on more than one occasion in the 4 years before the disqualification order is made;
  - the person has been convicted of a criminal offence or notified of a civil penalty under section 46 of the Act for dishonestly acting or failing to act in order to obtain a top-up payment or a payment from a childcare account, either for themselves or for another person; or
  - the person has been convicted of a criminal offence for dishonestly acting or failing to act in order to obtain a relevant benefit (which will be defined in regulations under subsection (6)), either for themselves or another person. This permits HMRC to disqualify a person from receiving support under this scheme if they have been convicted of an offence in relation to benefits under other schemes.
212. Subsection (7) prevents a person who is subject to a disqualification order from opening a childcare account, making qualifying payments into an existing childcare account or making a valid declaration of eligibility for as long as the order is in force.
213. Subsection (8) provides that a disqualification order will remain in force for the period stated in the order. However, subsection (9) provides that this cannot be longer than 3 years.
214. Subsection (10) obliges HMRC to ensure that, when a disqualification order is made, a copy of the order is given to the person to whom it relates and any account provider. This will ensure that the account provider is aware that the person is disqualified, which means that they cannot open a childcare account.
215. Subsection (11) allows HMRC to revoke a disqualification order. HMRC will do so, for example, where the person who is subject to the order has successfully sought a review of the decision to make that order.