



Finance (No. 2) Act 2024

2024 CHAPTER 12

High income child benefit charge

5 Increase in thresholds to £60,000 and £80,000

- (1) In—
 - (a) section 681B(1)(a) of ITEPA 2003 (liability to high income child benefit charge if person's adjusted net income exceeds £50,000), and
 - (b) section 681C(2)(b) of that Act (amount of the charge), in the definition of "L", for "£50,000" substitute "£60,000".
- (2) In section 681C(2)(b) of that Act, in the definition of "X" (which, in combination with the other parts of the formula, secures that there is a taper in the charge up to adjusted net incomes of £60,000), for "£100" substitute "£200".
- (3) The amendments made by this section have effect for the tax year 2024-25 and subsequent tax years.
- (4) If—
 - (a) a person ("P") who is entitled to child benefit in respect of one or more children makes a claim, on or after 6 April 2024 but before 8 July 2024, for the payment of the benefit, and
 - (b) in consequence of the backdating of the entitlement, P is entitled to an amount in respect of child benefit for one or more weeks in the tax year 2023-24,the entitlement to those amounts is to be treated for the purposes of Chapter 8 of Part 10 of ITEPA 2003 as an entitlement to those amounts for weeks in the tax year 2024-25.
- (5) But subsection (4) does not apply if—
 - (a) ignoring the deeming in that subsection, there would be no liability (whether of P or anyone else) to a high income child benefit charge for the tax year 2023-24 in respect of those amounts, or
 - (b) P makes an election for that subsection not to apply.
- (6) P may make an election under subsection (5)(b) only if P reasonably considers that, in the absence of the election, P's liability to a high income child benefit charge for the

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tax year 2024-25 in respect of those amounts would exceed P's liability to that charge for the tax year 2023-24 in respect of those amounts.

- (7) Section 681H(3) of ITEPA 2003 applies for the purposes of subsection (4) as it applies for the purposes of Chapter 8 of Part 10 of that Act.

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