
 S T A T U T O R Y I N S T R U M E N T S

2000 No. 1807
**SOCIAL SECURITY
TAXES**
**The Tax Credits Schemes (Miscellaneous Amendments
No. 3) Regulations 2000**

<i>Made</i> - - - - -	<i>10th July 2000</i>
<i>Laid before Parliament</i>	<i>11th July 2000</i>
<i>Coming into force</i> - -	<i>1st August 2000</i>

The Treasury, in exercise of the powers conferred upon them by sections 128(5), 129(2E)(a)(ii), 136(4) and (5)(b) and 137(1) and (2)(c) of the Social Security Contributions and Benefits Act 1992(a), and section 2(1)(a) of, and paragraph 1(c) and (d) of Schedule 2 to, the Tax Credits Act 1999(b), hereby make the following Regulations:

Citation, commencement and effect

1.—(1) These Regulations may be cited as the Tax Credits Schemes (Miscellaneous Amendments No. 3) Regulations 2000 and shall come into force on 1st August 2000.

(2) Regulations 3, 8 and 9 have effect in relation to award periods of working families' tax credit commencing on or after 3rd October 2000.

(3) Regulations 4 to 7 and 12 to 15 have effect in relation to the academic year 2000–01 and subsequent academic years.

(4) Regulations 11 and 16 have effect in relation to claims to disabled person's tax credit made, or treated as made, on or after 1st October 2000.

(5) In this regulation—

“the academic year 2000–01” means the period of 12 months commencing on 1st September 2000 or, in Scotland, on 1st August 2000; and subsequent academic years shall be construed accordingly;

“working families' tax credit” and “disabled person's tax credit” have the meanings given by section 1(1) of the Tax Credits Act 1999.

Amendments to the Family Credit (General) Regulations 1987

2. The Family Credit (General) Regulations 1987(c) are amended in accordance with regulations 3 to 9.

3. In regulation 4(4)(c)(ii)(bb)(d) after “self-employed earner” insert “or director”.

(a) 1992 c.4. Section 129 was amended by section 14(4) of the Tax Credits Act (c.10) in relation to claims to disabled person's tax credit made, or treated as made, on or after 1st October 2000. See the definition of “prescribed” in section 137(1) of the Social Security Contributions and Benefits Act 1992.

(b) 1999 c.10.

(c) S.I. 1987/1973.

(d) Regulation 4(4)(c)(ii)(bb) was amended by regulation 2 of S.I. 1997/806.

4. In regulation 37—

- (a) immediately before the definition of “a course of advance education” insert—
 ““access fund payment” means a payment for further and higher education students made under section 7 or 68 of the Further and Higher Education Act 1992(a) or section 73 of the Education (Scotland) Act 1980(b);”;
- (b) after the definition of “covenant income” insert—
 ““daily living costs” means food, ordinary clothing or footwear, household fuel or housing costs;”;
- (c) after the definition of “last day of the course”(c) insert—
 ““ordinary clothing or footwear” means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;”;
- (d) in paragraph (b)(i) of the definition of “period of study” after “grant”, in both places where that word occurs, insert “or loan”;
- (e) for the definition of “sandwich course” substitute—
 ““sandwich course” has the meaning given by regulation 5(2) of the Education (Student Support) Regulations 2000(d) or regulation 5(3) of the Education (Student Loans) (Scotland) Regulations 1999(e),”.

5. In regulation 38(f)—

- (a) in paragraph (1) for “and (2A)” substitute “, (2A) and (2B)”;
- (b) in paragraph (2) after sub-paragraph (g) add—
 “(h) that is an access fund payment and is intended to be used for any item other than daily living costs of any member of the student’s family or is used for any personal community charge, collective community charge contribution or council tax for which any member of that family is liable.”;
- (c) in paragraph (2A)—
 - (i) in sub-paragraph (a) for “£250” substitute “£255”;
 - (ii) in sub-paragraph (b) for “£303” substitute “£311”;
- (d) after paragraph (2A) insert—
 “(2B) There shall be disregarded from a student’s grant income £20 of any weekly access fund payment used for daily living costs of any member of the student’s family or, where any access fund payment so used covers a period of more than a week, £20 for each complete week covered by the payment.”;
- (e) in paragraph (3) for the words from “, except any amount” to the end substitute
 “shall, subject to paragraph (4), be apportioned equally between the weeks in the period of 52 weeks beginning with the start of the academic year in respect of which the grant is payable.”;
- (f) omit paragraph (3A).

6. After regulation 42 insert—

“Calculation of capital—lump sum access fund payment

42ZA. There shall be disregarded from the calculation of a student’s capital under regulation 29(1) any lump sum access fund payment made to the student that is not intended to be used for daily living costs, but only for a period of 52 weeks from the date of receipt of the payment.”.

(a) 1992 c.13.

(b) 1980 c.44.

(c) The definition was inserted by regulation 7(a) of S.I. 1991/1520.

(d) S.I. 2000/1121.

(e) S.I. 1999/1001 (S.71).

(f) Regulation 38 was amended by regulation 10 of S.I. 1988/660, regulation 10(a) of S.I. 1992/573 and regulation 6(3)(a) and (b) of S.I. 1999/1953.

7. In regulation 42A(a)—
- (a) in paragraph (1) after “loan” insert “, other than an additional loan on the grounds of hardship made under regulation 21 of the Education (Student Support) Regulations 2000 or regulation 12 of the Education (Student Loans) (Scotland) Regulations 1999,”;
 - (b) in paragraph (2)(a) after “the weeks in” insert “the period of 52 weeks beginning with the start of”;
 - (c) in paragraph (5)—
 - (i) in sub-paragraph (a) for “£250” substitute “£255”;
 - (ii) in sub-paragraph (b) for “£303” substitute “311”.
8. In regulation 46—
- (a) in paragraph (1)(b) after sub-paragraph (b) add the following sub-paragraph—
“(c) in respect of any child or young person to whom paragraph (1B) applies, the allowance specified in paragraph (4) of column (2) of Schedule 4.”;
 - (b) after paragraph (1A)(c) insert the following paragraphs—
“(1B) This paragraph applies to a child or young person for whom the claimant or his partner is responsible and who is a member of the claimant’s household, and—
 - (a) in respect of whom disability living allowance is payable, or has ceased to be payable solely because he is a patient; or
 - (b) who is registered as blind in a register compiled by a local authority under section 29 of the National Assistance Act 1948(d) (welfare services) or, in Scotland, has been certified as blind in a register maintained by or on behalf of a regional or islands council; or
 - (c) who ceased to be registered as blind in such a register within the 28 weeks immediately preceding the date of claim.
 (1C) For the purposes of paragraph (1B)(a), “patient” has the same meaning as in regulation 8(3)(a).”
9. In Schedule 4(e) after paragraph 3 there shall be added the following paragraph—
“4. Child or young person 4. £22.25.”
to whom regulation 46(1B)
applies (disabled child or
young person)

Amendments to the Disability Working Allowance (General) Regulations 1991

10. The Disability Working Allowance (General) Regulations 1991(f) are amended in accordance with regulations 11 to 16.

11. In regulation 4 after paragraph (b) add—
“or
(c) the claim relates to section 129(2C)(g) of the Contributions and Benefits Act (fast-track procedure).”.
12. In regulation 41—
(a) immediately before the definition of “a course of advance education” insert—
““access fund payment” means a payment for further and higher education students made under section 7 or 68 of the Further and Higher Education Act 1992 or section 73 of the Education (Scotland) Act 1980;”;

(a) Regulation 42A was inserted by regulation 3(5) of S.I. 1990/1549 and amended by regulation 6(5) of S.I. 1999/1935.
 (b) Regulation 46(1) was amended by regulation 11(a) of S.I. 1988/660, regulation 7 of S.I. 1995/1339, regulation 5 of S.I. 1996/2545 and regulation 7(2) of, and paragraph (1) of Schedule 1 to S.I. 1999/2487.
 (c) Regulation 46(1A) was inserted by regulation 7(3) of S.I. 1999/2487.
 (d) 1948 c.29.
 (e) Schedule 4 was amended by regulation 13 of, and paragraph (1) of Schedule 1 to, S.I. 1999/2487, regulation 3(d) of, and Schedule 1 to S.I. 2000/931 and regulation 2 of S.I. 2000/1324.
 (f) S.I. 1991/2887.
 (g) Subsections (2C) to (2F) of section 129 of the Social Security Contributions and Benefits Act 1992 were inserted by section 14(4) of the Tax Credits Act 1999.

- (b) after the definition of “covenant income” insert—
 ““daily living costs” means food, ordinary clothing or footwear, household fuel or housing costs;”;
- (c) after the definition of “last day of the course” insert—
 ““ordinary clothing or footwear” means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;”;
- (d) in paragraph (b)(i) of the definition of “period of study” after “grant”, in both places where that word occurs, insert “or loan”;
- (e) for the definition of “sandwich course” substitute—
 ““sandwich course” has the meaning given by regulation 5(2) of the Education (Student Support) Regulations 2000 or regulation 5(3) of the Education (Student Loans) (Scotland) Regulations 1999;”.

13. In regulation 42(a)—

- (a) in paragraph (1) for “and (2A)” substitute “, (2A) and (2B)”;
- (b) in paragraph (2) after sub-paragraph (f) add—
 “(g) that is an access fund payment and is intended to be used for any item other than daily living costs of any member of the student’s family or is used for any personal community charge, collective community charge contribution or council tax for which any member of that family is liable.”;
- (c) in paragraph (2A)—
 - (i) in sub-paragraph (a) for “£250” substitute “£255”;
 - (ii) in sub-paragraph (b) for “£303” substitute “£311”;
- (d) after paragraph (2A) insert—
 “(2B) There shall be disregarded from a student’s grant income £20 of any weekly access fund payment used for daily living costs of any member of the student’s family or, where any access fund payment so used covers a period of more than a week, £20 for each complete week covered by the payment.”;
- (e) in paragraph (3) for the words from “, except any amount” to the end substitute “shall, subject to paragraph (5), be apportioned equally between the weeks in the period of 52 weeks beginning with the start of the academic year in respect of which the grant is payable.”;
- (f) omit paragraph (4).

14. After regulation 46 insert—

“Calculation of capital—lump sum access fund payment

46A. There shall be disregarded from the calculation of a student’s capital under regulation 32(1) any lump sum access fund payment made to the student that is not intended to be used for daily living costs, but only for a period of 52 weeks from the date of receipt of the payment.”.

15. In regulation 47(b)—

- (a) in paragraph (1) after “loan” insert “, other than an additional loan on the grounds of hardship made under regulation 21 of the Education (Student Support) Regulations 2000 or regulation 12 of the Education (Student Loans) (Scotland) Regulations 1999.”;
- (b) in paragraph (2)(a) after “the weeks in” insert “the period of 52 weeks beginning with the start of”;

(a) Regulation 42 was amended by regulation 7(3)(a) and (b) of S.I. 1999/1935.
 (b) Regulation 47 was amended by regulation 7(5) of S. I. 1999/1935.

(c) in paragraph (5)—

- (i) in sub-paragraph (a) for “£250” substitute “£255”;
- (ii) in sub-paragraph (b) for “£303” substitute “£311”.

16. In Part VI after regulation 53 add the following regulation—

“Entitlement to disabled person’s tax credit under section 129(2C) of the Contributions and Benefits Act

53A. The prescribed amount for the purpose of section 129(2E)(a)(ii) of the Contributions and Benefits Act 1992 (the required amount for the purpose of section 129(2C)) shall be £15.00 per week.”.

Bob Ainsworth
Clive Betts

10th July 2000

Two of the Lords Commissioners of Her Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Family Credit (General) Regulations 1987 (S.I. 1987/1973) (“the Family Credit Regulations”) and the Disability Working Allowance Regulations 1991 (S.I. 1991/2887) (“the Disability Working Allowance Regulations”).

Regulation 1 provides for citation, commencement and effect.

Regulations 2 to 9 amend the Family Credit Regulations.

Regulation 2 introduces regulations 3 to 9.

Regulation 3 extends regulation 4(4)(c)(ii)(bb) of the Family Credit Regulations (average hours worked for self-employed earners) to company directors.

Regulations 4, 5 and 7 make various amendments to regulations 37, 38 and 42A of the Family Credit Regulations (definitions, student grants and student loans).

Regulation 6 inserts a new regulation 42ZA in the Family Credit Regulations (disregard of lump sum access fund payment in calculating amount of student’s capital for the purpose of working families’ tax credit).

Regulations 8 and 9 amend regulation 46 of, and Schedule 4 to, the Family Credit Regulations so as to add a disabled child’s credit to the computation of working families’ tax credit.

Regulations 10 to 16 amend the Disability Working Allowance Regulations.

Regulation 10 introduces regulations 11 to 16.

Regulation 11 amends regulation 4 of the Disability Working Allowance Regulations and provides that a declaration of physical or mental disability by a claimant on an initial claim for disabled person’s tax credit is not conclusive that he has a disability where the claim is based on the fast track procedure for claiming disabled person’s tax credit on or after 1st October 2000.

Regulations 12, 13 and 15 amend regulations 41, 42 and 47 of the Disability Working Allowance Regulations (definitions, student grants and student loans).

Regulation 14 inserts a new regulation 46A in the Disability Working Allowance Regulations (disregard of lump sum access fund payment in calculating amount of student’s capital for the purpose of disabled person’s tax credit).

Regulation 16 prescribes the minimum amount of a claimant’s earnings reduction due to disability for the purposes of the fast track procedure for claiming disabled person’s tax credit on or after 1st October 2000.

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