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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations are made in consequence of the application and modification of Chapter 2 of Part 1 of the Social Security Act 1998 (c. 14) by the Tax Credits (Appeals) Regulations 2002 (S.I.2002/2926) which are made under section 63(8) of the Tax Credits Act 2002 (c. 21) (“the 2002 Act”) for the purposes of the temporary modifications made by section 63 of the 2002 Act. Those modifications have the effect of sending appeals against the decisions set out in section 38 of the 2002 Act, directions to close down an enquiry made under section 19(10) of the 2002 Act and penalty proceedings brought under paragraph 3 of Schedule 2 to the 2002 Act (“penalty proceedings”), to an appeal tribunal, until a day is appointed under section 63(1) of the 2002 Act.

Part 1 of these Regulations contains provisions relating to commencement, citation and interpretation and service of notices or documents.

Part 2 of the Regulations concerns rights of appeal and the procedure for bringing appeals. Regulation 3 makes provision for additional persons to have a right of appeal, or to make an application for a direction to close down an enquiry under section 19(9) of the 2002 Act (“application for a direction”) (other than those provided for in the 2002 Act). Regulation 4 sets out the procedure for dealing with a dispute in relation to time limits. Regulation 5 deals with late appeals. Regulation 6 provides for the manner in which an application for an extension of time must be made. Regulation 7 provides for the manner in which an application for a direction must be made. Regulation 8 sets out who may proceed with an appeal or an application for a direction when a party to an appeal dies.

Part 3 makes provision for appeal tribunals for tax credits. Chapter 1 provides for the requirements relating to the composition of appeal tribunals and the assignment of clerks to tribunals. Chapters 2 to 5 of Part 3 provide for further matters relating to appeals, applications for a direction and penalty proceedings. Chapter 2 makes provision for the procedural requirements in the determination of appeals, applications for a direction and penalty proceedings, including withdrawal of applications for a direction and penalty proceedings, non-disclosure of medical advice or evidence and the summoning of witnesses. Chapter 3 provides for the striking out of certain appeals and applications for a direction and the related procedure for reinstatement. Chapter 4 provides for the procedure at oral hearings and Chapter 5 makes provision relating to the decisions of appeal tribunals, the reasons for those decisions and applications for leave to appeal to a Social Security Commissioner.

These Regulations do not impose a charge on business.