
STATUTORY INSTRUMENTS

2004 No. 762

**The Tax Credits (Miscellaneous
Amendments) Regulations 2004**

Amendment of the Tax Credits (Payments by the Board) Regulations 2002

18. In the Tax Credits (Payments by the Board) Regulations 2002(1) after regulation 12 of insert—

“Recovery of overpayments of tax credit from other payments of tax credit

12A.—(1) This regulation applies where notice is given to a person or persons under subsection (4) of section 29 of the Act (deduction of overpayments from payments of tax credit).

(2) The maximum rate at which an overpayment may be recovered from payments of tax credit is—

- (a) where the only amount of tax credit to which the person is, or, in the case of a joint claim, the persons are, entitled, is the family element of child tax credit, 100% of that tax credit;
- (b) where the total amount of tax credit to which the person is, or, in the case of a joint claim, the persons are, entitled is not subject to reduction—
 - (i) by virtue of section 7(2) of the Act; or
 - (ii) because their income for the relevant year does not exceed the relevant income threshold prescribed in his or their case in regulation 3 of the Tax Credits (Income Thresholds and Determination of Rates) Regulations 2002; 10% of that tax credit; and
- (c) in any other case, 25% of the tax credit to which the person is, or in the case of a joint claim, the persons are, entitled.

(3) In paragraph (2) a reference to the amount to which a person is, or persons are, entitled is a reference to the amount to which they would be entitled but for the operation of that paragraph.”.