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## EXPLANATORY NOTE

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

These Regulations amend the Universal Credit (Transitional Provisions) Regulations 2014 ([S.I. 2014/1230](#)) (“the 2014 Regulations”).

Section 29 of the Tax Credits Act 2002 provides for notice to be given to any person or persons who are liable to repay an overpayment of tax credit. Where the notice states that section 29(4) applies, the amount in question may be recovered by deductions from payments of tax credit.

Regulation 12(4) of the 2014 Regulations modifies the operation of section 29(4) to provide alternative means of recovery in cases where a person entitled to a tax credit claims universal credit. This currently provides for recovery by deductions from universal credit. These Regulations substitute a new version of regulation 12(4) which provides for recovery by deductions from benefit (including universal credit) under section 71ZC of the Social Security Administration Act 1992, deductions from earnings under section 71ZD of that Act or through court action etc. as set out in section 71ZE of that Act.

A full impact assessment has not been produced for this instrument as no impact on the private sector or civil society organisations is foreseen.