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## EXPLANATORY NOTE

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

This Order amends the Tax Credits Act 2002 (c. 21) to provide for a review of a decision outside the time limit in section 21A, as extended by section 21B, of the Tax Credits Act 2002 in certain circumstances.

Article 1 provides for citation and commencement.

Article 2 paragraphs (2) to (4) amend sections 18, 19 and 20 of the Tax Credits Act 2002 respectively to include a reference to new section 21C. Paragraph (4)(a) corrects an erroneous cross reference in section 20(6)(c) of the Tax Credits Act 2002 to section 21A(5)(b) of that Act.

Article 2 paragraph (5) inserts new section 21C into the Tax Credits Act 2002. This section provides for a review of a relevant decision (which term is defined in subsection (8)) where a claim for a “relevant disability benefit” (as defined in subsection (8)) has been determined in the claimant’s favour providing that the claimant notifies HM Revenue and Customs (“HMRC”) of that decision within one month of that decision (see subsections (1) to (3) of new section 21C). Subsections (4) to (7) of new section 21C mirror the requirements in section 21A of the Tax Credits Act 2002. Subsection (4) identifies the conclusions that can be reached by HMRC, subsection (5) requires the review to be carried out as quickly as possible, subsection (6) requires HMRC to notify the claimant of their conclusions and subsection (7) provides that, where HMRC have notified the claimant that further information or evidence is required in order to carry out the review, the Commissioners may proceed without that information or evidence where it is not supplied by the date specified.

Article 2 paragraphs (6) to (9) amend sections 28, 30, 38 and 39 of the Tax Credits Act 2002 respectively to include a reference to new section 21C.

A full impact statement has not been produced for these Regulations because no impact on the private or voluntary sectors is foreseen.