

2007 No. 968

TAX CREDITS

**The Working Tax Credit (Entitlement and Maximum Rate)
(Amendment) Regulations 2007**

<i>Made</i>	- - - -	<i>22nd March 2007</i>
<i>Laid before Parliament</i>		<i>22nd March 2007</i>
<i>Coming into force</i>	- -	<i>6th April 2007</i>

The Treasury make the following Regulations in exercise of the powers conferred by sections 10(2) and 65(1) and (7) of the Tax Credits Act 2002(a).

Citation and commencement

1. These Regulations may be cited as the Working Tax Credit (Entitlement and Maximum Rate) (Amendment) Regulations 2007 and shall come into force on 6th April 2007.

Amendment of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002

2.—(1) The Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002(b) are amended as follows.

(2) In regulation 7C(c) (pay in lieu of notice) insert the following paragraph at the end—

“(3) This regulation is subject to regulation 7D.”.

(3) After regulation 7C insert—

“Ceasing to undertake work or working for less than 16 hours per week

7D.—(1) This regulation applies for the four-week period immediately after—

- (a) a person who has been undertaking qualifying remunerative work for not less than 16 hours per week ceases to work or starts to work less than 16 hours per week, or
- (b) a person who has been undertaking qualifying remunerative work for not less than 30 hours per week ceases to work or starts to work less than 16 hours per week.

(2) For the purposes of the conditions in regulation 4(1), the person is treated as being engaged in qualifying remunerative work during that period.

This is subject to paragraph (3).

(3) The person must have been engaged in qualifying remunerative work immediately before the beginning of that period.”.

(a) 2002 c. 21.

(b) S.I. 2002/2005, amended by S.I. 2003/701; there are other amending instruments but none is relevant.

(c) Regulation 7C was inserted by S.I. 2003/701.

22nd March 2007

Frank Roy
Alan Campbell
Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 (S.I. 2002/2005).

Regulation 1 provides for citation and commencement.

Regulation 2 inserts a new regulation 7D to deal with the four-week period immediately after a person who has been working for not less than 16 or 30 hours per week either ceases to work or starts to work less than 16 hours per week. Such a person is treated as being engaged in qualifying remunerative work during that period provided that he was engaged in such qualifying remunerative work immediately before the beginning of the period. Regulation 2 also ensures that regulation 7C (pay in lieu of notice) is subject to the new regulation 7D.

A fully regulatory impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.

£3.00

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E0520 3/2007 170520T 19585