



**CTF Bulletin 62**

12 October 2011

**This bulletin tells you about:**

- amendments to CTF Regulations

You should address any enquiries about this bulletin to [savings.audit@hmrc.gsi.gov.uk](mailto:savings.audit@hmrc.gsi.gov.uk).

Please ensure the appropriate people in your organisation read this bulletin.

The HM Revenue & Customs (HMRC) website address is [www.hmrc.gov.uk](http://www.hmrc.gov.uk) and there are pages for [CTF providers](#).

This bulletin updates you on amendments to the CTF regulations which were laid on 10 October 2011:

## **CTF Regulations**

Amendments to the CTF regulations were laid on 10 October 2011. The regulations are Statutory Instrument No 2447/2011 and they can be accessed at:

<http://www.legislation.gov.uk/ukSI/2011/2447/contents/made>

The changes made by these regulations are:

- CTF vouchers issued on or after 1 January 2012 will have an expiry date 60 days after the date of issue. Although numbers are quickly reducing, some vouchers are still being issued and HMRC's current working assumption is that the fortnightly return and schedule interface will be decommissioned in April 2013. Bringing forward the date on which HMRC automatically opens a Revenue Allocated Account on behalf of a child, from 12 months to 60 days after the issuing of the CTF voucher, will allow any remaining vouchers to be issued, and Revenue Allocated Accounts opened, for an additional ten months prior to decommissioning the fortnightly return/schedule interface. Any residual cases thereafter will be handled clerically by HMRC. A further Bulletin with details of the decommissioning timetable and the clerical process for any residual cases will be issued in due course.
- From 1 November 2011, the CTF subscription limit will be increased from £1,200 to £3,600. This change was mentioned in Bulletins 60 and 61 and these examples were included.

## **Examples**

**1** A child born on 1 July 2009 has a subscription year that runs to 30 June 2010. Their current subscription year that started on 1 July 2011 has £1,200 as the maximum that can be subscribed into their account. From 1 November 2011, that annual limit will change to £3,600, so that a total of £3,600 can be put into their account in this subscription year, i.e. between 1 July 2011 and 30 June 2012. The limit does not change until 1 November 2011, so between 1 July 2011 and 31 October 2011, the subscription limit remains £1,200 and no more than £1,200 can be put into the account.

If the parents (or anyone else) subscribed in total the full £1,200 in August 2011, neither they nor anyone else will be able to make any further subscriptions until 1 November 2011. Between 1 November 2011 and 30 June 2012, they can subscribe a further £2,400 to the account. And, from 1 July 2012, when the new subscription year starts, they can put a further £3,600 into the account.

If no subscriptions are made between 1 July and 31 October 2011, then from 1 November 2011 £3,600 can be subscribed into the account until the end of the subscription year on 30 June 2012.

**2** A child born on 1 November 2010 has a subscription year running to 31 October 2011. Currently their CTF can have £1,200 subscribed into it this subscription year, and this change will have no effect on this. However, from their birthday on 1 November 2011, their new CTF subscription year will begin, and they will be able to have £3,600 paid into their account within that subscription year.

**3** Eligible children born in the last few days of October, eg 28 October 2010, will have a subscription year, which starts with a limit of £1,200 for the first few days eg 28 October 2011 to 31 October 2011, and then rises to £3,600 on 1 November 2011.