



Childcare Payments Act 2014

2014 CHAPTER 28

Penalties

42 Penalties for inaccurate declarations of eligibility

- (1) A person is liable to a penalty under this section if the person meets condition A or B.
- (2) Condition A is that—
 - (a) the person makes a declaration of eligibility that contains an inaccuracy, and
 - (b) the inaccuracy is careless or deliberate.

An inaccuracy is careless if it is due to a failure by the person to take reasonable care.

- (3) Condition B is that—
 - (a) a declaration of eligibility containing an inaccuracy is made by or on behalf of a person,
 - (b) the person discovers the inaccuracy after the declaration of eligibility has been made, and
 - (c) the person fails to take reasonable steps to inform HMRC.
- (4) In a case where the inaccuracy is deliberate, the amount of the penalty is 50% of the maximum available top-up payment for the entitlement period for which the declaration of eligibility was made.
- (5) In any other case, the amount of the penalty is 25% of the maximum available top-up payment for the entitlement period for which the declaration of eligibility was made.
- (6) “The maximum available top-up payment” for an entitlement period is the amount that would be payable by HMRC if qualifying payments equal to the relevant maximum for the entitlement period were made into the childcare account in respect of which the declaration was made.

(For the relevant maximum for an entitlement period, see section 19(5) and (6).)

- (7) If—

Changes to legislation: There are currently no known outstanding effects for the Childcare Payments Act 2014, Section 42. (See end of Document for details)

- (a) in the absence of this subsection, the relevant maximum for the entitlement period for which the declaration of eligibility was made would be the amount specified in section 19(5), but
- (b) the person made representations to HMRC that the relevant maximum for the entitlement period should be a greater amount determined by or under regulations under section 19(6),

then for the purposes of subsection (6) above the relevant maximum for the entitlement period is to be taken to be that greater amount.

Commencement Information

- I1** S. 42 in force at 14.11.2016 for the purposes of the trial by S.I. 2016/1083, **reg. 2(f)**
- I2** S. 42 in force at 21.4.2017 in so far as not already in force by S.I. 2017/578, **reg. 3(d)**

Changes to legislation:

There are currently no known outstanding effects for the Childcare Payments Act 2014, Section 42.