

2010 No. 2599

CHILD TRUST FUNDS

The Child Trust Funds (Amendment No. 4) Regulations 2010

Made - - - - *25th October 2010*

Laid before Parliament *26th October 2010*

Coming into force - - *16th November 2010*

The Treasury make the following Regulations in exercise of the powers conferred by sections 3(1) and 28(1) to (3) of the Child Trust Funds Act 2004(a):

Citation and commencement

1. These Regulations may be cited as the Child Trust Funds (Amendment No. 4) Regulations 2010 and shall come into force on 16th November 2010.

Amendments to the Child Trust Funds Regulations 2004

2. Regulation 16 of the Child Trust Funds Regulations 2004(b) (account provider – withdrawal by Board of approval) is amended as follows.

3.—(1) After paragraph (2) of regulation 16 insert—

“(2A) Where paragraph (2B) applies, a term of an undertaking given in accordance with regulation 14(2)(b) shall not be taken as not satisfied only by reason that the person to whom the Board’s approval as an account provider has been given does not accept vouchers.

(2B) This paragraph applies where—

- (a) a person does not accept any voucher after a day specified by that person; and
- (b) no less than 30 days before the specified day, notice in writing is given to the Board of the person’s intention not to accept vouchers after that day.”.

Michael Fabricant
Angela Watkinson

25th October 2010

Two of the Lords Commissioners of Her Majesty’s Treasury

(a) 2004 c.6.

(b) S.I. 2004/1450; relevant amending instrument is S.I. 2010/582.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations which come into force on 16th November 2010 amend regulation 16 of the Child Trust Funds Regulations 2004 (S.I. 2004/1450) (“the principal Regulations”) which specifies the circumstances in which the Commissioners for H. M. Revenue and Customs (“the Board”) may by notice withdraw their approval of a person as an account provider of a scheme of investment which qualifies as a child trust fund.

These Regulations insert paragraphs (2A) and (2B) into regulation 16 of the principal Regulations.

One of the circumstances specified in regulation 16 by which approval by the Board may be withdrawn is where the Board has reason to believe that a term of an undertaking given in accordance with regulation 14(2)(b) of the principal Regulations is not or has not been satisfied. Where paragraph (2B) applies, paragraph (2A) of regulation 16 provides that a term of such an undertaking will not be taken as not satisfied only by reason that the person approved by the Board as an account provider does not accept vouchers issued under section 5(1) of the Child Trust Funds Act 2004 (c. 6) after a day specified in a written notice of the account provider’s intention not to accept such vouchers provided to the Board at least 30 days prior to the specified day.

An Impact Assessment has not been produced for this instrument as it has a negligible impact on business and no impact on charities or voluntary bodies.

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