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STATUTORY RULES OF NORTHERN IRELAND

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**1997 No. 456**

**Housing Renovation etc. Grants (Reduction  
of Grant) Regulations (Northern Ireland) 1997**

Part IV

Income and Capital

Chapter IV

*Self-employed Earners*

**Deduction of tax and contributions for self-employed earners**

27.—(1) The amount to be deducted in respect of income tax under regulation 26(1)(b)(i), (3)(b)(i) or (9)(a)(i) (determination of net profit of self-employed earners) shall be determined on the basis of the amount of chargeable income and as if that income were assessable to income tax at the lower rate or, as the case may be, the lower rate and the basic rate or the basic rate and higher rate of tax in the year of assessment in which the application was made less only the personal relief to which the relevant person is entitled under sections 257(1), (6) and (7) and 259 (1)(a) and (2) of the Income and Corporation Taxes Act 1988(1) (personal reliefs) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the lower rate and, if appropriate, the basic rate and higher rate of tax is to be applied and the amount of the personal relief deductible under this paragraph shall be calculated on a pro-rata basis.

(2) The amount to be deducted in respect of social security contributions under regulation 26(1)(b)(i), (3)(b)(ii) or (9)(a)(ii) shall be the total of—

- (a) the amount of Class 2 contributions payable under section 11(1) or, as the case may be, (3) of the 1992 Act at the rate applicable at the date of application except where the relevant person's chargeable income is less than the amount for the time being specified in subsection (4) of that section (small earnings exception) for the tax year in which the date of the application falls; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and
- (b) the amount of Class 4 contributions (if any) which would be payable under section 15(3) of that Act (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable at the date of the application on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year in which the date of the application falls; but, if the assessment period is less than a year, those limits shall be reduced pro rata.

(3) In this regulation "chargeable income" means—

- (a) except where sub-paragraph (b) applies, the earnings derived from the employment less any expenses deducted under paragraph (3)(a) or, as the case may be, (4) of regulation 26;

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(1) 1988 c. 1; section 257 was substituted by Section 33 of the Finance Act 1988 (c. 39) and, as respects the year 1996/97, amended by Section 74 of, and paragraph 13 of Schedule 20 and Part V(10) of Schedule 41 to, the Finance Act 1996 (c. 8). Section 259 was amended by sections 30 and 35 of, and paragraphs 1 and 5 of Schedule 3 to, the Finance Act 1988; and as respects the year 1996/97, by paragraph 17 of Schedule 20 and Part V(10) of Schedule 41 to the Finance Act 1996

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**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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(b) in the case of employment as a child minder, one third of the earnings of that employment.