

SCHEDULE 3

Sums to be disregarded in the determination of income other than earnings

16.—(1) Any income derived from capital to which the relevant person is, or is treated under regulation 38 (capital jointly held) as, beneficially entitled but, subject to sub-paragraph (2), not income derived from capital disregarded under paragraphs 1, 2, 3, 5, 8, 14, 25 or 26 of Schedule 4.

(2) Income derived from capital disregarded under paragraphs 3(a), 5, 25 or 26 of Schedule 4 but only to the extent of any mortgage payments or payment of rates made in respect of the dwelling or buildings in the period during which that income accrued.