

SCHEDULE 2

Sums to be disregarded in the calculation of earnings

10.—(1) In a case where the applicant is a person who satisfies at least one of the conditions in sub-paragraph (2), and the applicant's net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of the applicant's earnings to be disregarded must be increased by £17.10.

(2) The conditions referred to in sub-paragraph (1) are that—

(a) the applicant or, if the applicant is a member of a couple either the applicant or the other member of the couple, is a person to whom regulation 20(1)(c) of the Working Tax Credit Regulations applies; or

(b) the applicant—

(i) is, or any partner of the applicant's is, aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week;

(ii) if the applicant is a member of a couple—

(aa) at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and

(bb) the applicant's applicable amount includes a family premium under paragraph 4 of Schedule 1;

(iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or

(iv) the applicant or, if the applicant is a member of a couple, at least one member of the couple is engaged in remunerative work for on average not less than 16 hours per week and paragraph 5(1) is satisfied in respect of that person.

(3) The following are the amounts referred to in sub-paragraph (1)—

(a) any amount disregarded under this Schedule;

(b) the amount of child care charges calculated as deductible under regulation 29(1)(c) (treatment of child care charges); and

(c) £17.10.

(4) The provisions of regulation 6 (remunerative work) apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in regulation 6(1) was a reference to 30 hours.