

SCHEDULE 5

FINANCIAL ASSESSMENT

Definitions

1.—(1) In this Schedule—

- (a) “financial year” (“*blwyddyn ariannol*”) means the period of twelve months in respect of which the income of a person, whose residual income is calculated under the provisions of this Schedule, is computed for the purposes of the income tax legislation which applies to it;
- (b) “household income” (“*incwm aelwyd*”, “*incwm yr aelwyd*”, “*incwm sydd gan yr aelwyd*”) has the meaning given in paragraph 3;
- (c) “independent eligible student” (“*myfyriwr cymwys annibynnol*”) has the meaning given in paragraph 2;
- (d) “Member State” (“*Aelod-wladwriaeth*”) means a Member State of the European Union;
- (e) “new eligible student” (“*myfyriwr cymwys newydd*”) means an eligible student who begins a designated course on or after 1 September 2004;
- (f) “parent” (“*rhiant*”) means a natural or adoptive parent and “child” (“*plentyn*”) is construed accordingly;
- (g) “parent student” (“*myfyriwr sy'n rhiant*”) means an eligible student who is the parent of an eligible student;
- (h) “partner” (“*partner*”) in relation to an eligible student means any of the following—
 - (i) the spouse of an eligible student;
 - (ii) the civil partner of an eligible student;
 - (iii) a person ordinarily living with an eligible student as if the person were the eligible student’s spouse where an eligible student falls within paragraph 2(1)(a) and the eligible student begins the designated course on or after 1 September 2000;
 - (iv) a person ordinarily living with an eligible student as if the person were the eligible student’s civil partner where an eligible student falls within paragraph 2(1)(a) and the eligible student begins the designated course on or after 1 September 2005;
- (i) “partner” (“*partner*”) in relation to the parent of an eligible student means any of the following other than another parent of the eligible student—
 - (i) the spouse of an eligible student’s parent;
 - (ii) the civil partner of an eligible student’s parent;
 - (iii) a person ordinarily living with the parent of an eligible student as if the person were the parent’s spouse;
 - (iv) a person ordinarily living with the parent of an eligible student as if the person were the parent’s civil partner;
- (j) “preceding financial year” (“*blwyddyn ariannol flaenorol*”) means the financial year immediately preceding the relevant year;
- (k) “prior financial year” (“*blwyddyn ariannol gynharach*”) means the financial year immediately preceding the preceding financial year;
- (l) “relevant year” (“*blwyddyn berthnasol*”) means the academic year in respect of which the household income falls to be assessed;

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

- (m) “residual income” (“*incwm gweddillio!*”) means taxable income after the application of paragraph 4 (in the case of an eligible student), paragraph 5 (in the case of an eligible student’s parent), paragraph 6 (in the case of an eligible student’s partner) or paragraph 7 (in the case of the partner of a new eligible student’s parent) and income referred to in sub-paragraph (2) received net of income tax; and
- (n) “taxable income” (“*incwm trehadwy!*”) means, in relation to paragraph 4, in respect of the academic year for which an application has been made under regulation 9 and, in relation to paragraph 5, in respect (subject to sub-paragraphs (3) to (6) of paragraph 5) of the prior financial year, a person’s taxable income from all sources computed as for the purposes of—
- (i) the Income Tax Acts;
 - (ii) the income tax legislation of another Member State which applies to the person’s income; or
 - (iii) where the legislation of more than one Member State applies to the period, the legislation under which the Welsh Ministers consider the person will pay the largest amount of tax in that period (except as otherwise provided in paragraph 5),
- except that no account is taken of income referred to in sub-paragraph (2) paid to another party.

(2) The income referred in this sub-paragraph is any benefits under a pension arrangement pursuant to an order made under section 23 of the Matrimonial Causes Act 1973⁽¹⁾ which includes provision made by virtue of sections 25B(4) and 25E(3) of that Act⁽²⁾ or pension benefits under Part 1 of Schedule 5 to the Civil Partnership Act 2004⁽³⁾ which includes provision made by virtue of Parts 6 and 7 of that Schedule.

(1) 1973 c. 18; section 23 was amended by the Administration of Justice Act 1982 (c. 53), section 16.

(2) Section 25B was inserted by the Pensions Act 1995 (c. 26), section 166(1) and was amended by the Welfare Reform and Pensions Act 1999 (c. 30), Schedule 4. Section 25E was inserted by the Pensions Act 2004 (c. 35), section 319(1), Schedule 12, paragraph 3.

(3) 2004 c. 33; paragraph 25 of Schedule 5 was modified by S.I.2006/1934.