

## SCHEDULE 2

### STUDENT'S CONTRIBUTION

#### PART 1

##### Interpretation

1.—(1) In this Schedule—

“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 Part 2 of this Schedule is computed for the purposes of the income tax legislation which applies to it;

“household income” (*“incwm yr aelwyd”*) has the meaning given in paragraph 2;

“Member State” (*“Aelod-wladwriaeth”*) means a Member State of the European Union;

“parent” (*“rhiant”*) means a natural or adoptive parent and “child” (*“plenty”*), “mother” (*“mam”*) and “father” (*“tad”*) are to be construed accordingly;

“partner” (*“partner”*) in relation to an eligible student means any of the following—

- (i) the spouse of the eligible student;
- (ii) the civil partner of the eligible student;
- (iii) a person ordinarily living with the eligible student as if the person were the spouse of the student where the eligible student is aged 25 or over on the first day of the relevant year and the eligible student begins the designated course on or after 1 September 2000;
- (iv) a person ordinarily living with the student as if that person were the student's civil partner where the eligible student is aged 25 or over on the first day of the relevant year and the eligible student begins the designated course on or after 1 September 2005;

“preceding financial year” (*“blwyddyn ariannol flaenorol”*) means the financial year immediately preceding the relevant year;

“relevant year” (*“blwyddyn berthnasol”*) means the academic year in respect of which the household income falls to be assessed;

“residual income” (*“incwm gweddilliol”*) means taxable income after the application of paragraph 3 (in the case of an eligible student) and paragraph 4 (in the case of a student's partner);

“taxable income” (*“incwm trethadwy”*) means, in relation to paragraph 3, in respect of an academic year for which support is sought and, in relation to paragraph 4, in respect (subject to sub-paragraphs (3), (4) and (5) of paragraph 4) of the preceding financial year, a person's taxable income from all sources computed as for the purposes of—

- (a) the Income Tax Acts;
- (b) the income tax legislation of another EEA State or Switzerland which applies to the person's income;
- (c) where the legislation of more than one EEA State or of an EEA State and Switzerland 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 4),

except that no account is taken of income referred to in sub-paragraph (2) paid to another party.

**Status:** This is the original version (as it was originally made).

(2) The income referred to 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<sup>(1)</sup> which includes provision made by virtue of sections 25B(4) and 25E(3) of that Act or pension benefits under Part 1 of Schedule 5 to the Civil Partnership Act 2004<sup>(2)</sup> which includes provision made by virtue of Parts 6 and 7 of that Schedule.

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

(2) 2004 c. 33; paragraph 25 of Schedule 5 was modified by S.I. 2006/1934, and Part 7 of Schedule 5 was amended by the Pensions Act 2008 (c. 30), Schedules 6 and 11.