

## SCHEDULE 1

### Meaning of payments in respect of accommodation

#### *Service charge payments*

#### **Service charge payments**

7.—(1) “Service charge payments” are payments which—

- (a) fall within sub-paragraph (2);
- (b) are not excluded by sub-paragraph (3); and
- (c) in any case to which paragraph 8 applies, meet all of the conditions set out in that paragraph.

(2) The payments falling within this sub-paragraph are payments of amounts which are, in whole or in part—

- (a) payments of, or towards, the costs of or charges for providing services or facilities for the use or benefit of persons occupying accommodation; or
- (b) fairly attributable to the costs of or charges for providing such services or facilities connected with accommodation as are available for the use or benefit of persons occupying accommodation.

(3) Payments are excluded by this sub-paragraph where—

- (a) a loan that falls within paragraph 5 was taken out for the purposes of making the payments; or
- (b) the services or facilities to which the payments relate are provided for the use or benefit of any person occupying—
  - (i) a tent,
  - (ii) approved premises,
  - (iii) a care home, or
  - (iv) exempt accommodation.

(4) It is irrelevant for the purposes of sub-paragraph (2)—

- (a) whether or not the payments are separately identified as relating to the costs or charges referred to in sub-paragraph (2);
- (b) whether they are made in addition to or as part of any other payment (including a payment that would otherwise be regarded as a rent payment within the meaning of paragraph 2);
- (c) whether they are made under the same or a different agreement as that under which the accommodation is occupied.