

STATUTORY INSTRUMENTS

1987 No. 1967

The Income Support (General) Regulations 1987

PART V

INCOME AND CAPITAL

[^{F1}CHAPTER IVA

PARTICIPANTS IN THE SELF-EMPLOYMENT ROUTE^{F2}...

Textual Amendments

- F1** Pt. V Ch. IVA added (1.6.1998) by [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 1998 \(S.I. 1998/1174\)](#), regs. 1(1), **6(3)**
- F2** Words in Pt. V Ch. IVA heading omitted (27.11.2000) by virtue of [The Social Security Amendment \(Employment Zones\) \(No. 2\) Regulations 2000 \(S.I. 2000/2910\)](#), regs. 1(1), **5(1)(c)**

Interpretation

39A. In this Chapter—

^{F3}
...

“special account” means, where a person was carrying on a commercial activity in respect of which assistance is received under the self-employment route, the account into which the gross receipts from that activity were payable during the period in respect of which such assistance was received.

Textual Amendments

- F3** Words in [reg. 39A](#) omitted (27.11.2000) by virtue of [The Social Security Amendment \(Employment Zones\) \(No. 2\) Regulations 2000 \(S.I. 2000/2910\)](#), regs. 1(1), **5(1)(b)**

Modifications etc. (not altering text)

- C1** [Reg. 39A](#) modified (temp. until 27.11.2001) (28.11.2000) by [The Social Security \(New Deal Pilot\) Regulations 2000 \(S.I. 2000/3134\)](#), regs. 1(1)(b), **18(1)(c)** (with regs. 1(2), 11, 19)
- C2** [Reg. 39A](#) modified (temp. until 27.11.2001) (28.11.2000) by [The Social Security \(New Deal Pilot\) Regulations 2000 \(S.I. 2000/3134\)](#), regs. 1(1)(b), **18(1)(b)** (with regs. 1(2), 11, 19)
- C3** [Reg. 39A](#) modified (temp. until 27.11.2001) (28.11.2000) by [The Social Security \(New Deal Pilot\) Regulations 2000 \(S.I. 2000/3134\)](#), regs. 1(1)(b), **18(1)(a)** (with regs. 1(2), 11, 19)

Treatment of gross receipts of participants in the self-employment route^{F4} ...

39B. The gross receipts of a commercial activity carried on by a person in respect of which assistance is received under the self-employment route, shall be taken into account in accordance with the following provisions of this Chapter.

Textual Amendments

- F4** Words in [reg. 39B](#) heading omitted (27.11.2000) by virtue of [The Social Security Amendment \(Employment Zones\) \(No. 2\) Regulations 2000 \(S.I. 2000/2910\)](#), regs. 1(1), **5(1)(c)**

Calculation of income of participants in the self-employment route^{F5} ...

39C.—(1) The income of a person who has received assistance under the self-employment route shall be calculated by taking into account the whole of the monies in the special account at the end of the last day upon which such assistance was received and deducting from those monies—

- (a) an amount in respect of income tax calculated in accordance with regulation 39D (deduction in respect of tax for participants in the self-employment route^{F6}...); and
- (b) any sum to which paragraph (4) refers.

(2) Income calculated pursuant to paragraph (1) shall be apportioned equally over a period which starts on the date the income is treated as paid under paragraph (3) and is equal in length to the period beginning with the day upon which assistance was first received under the self-employment route and ending on the last day upon which such assistance was received.

(3) Income calculated pursuant to paragraph (1) shall be treated as paid—

- (a) in the case where it is due to be paid before the first benefit week in respect of which the participant or his partner first claims income support following the last day upon which assistance was received under the self-employment route, on the day in the week in which it is due to be paid which corresponds to the first day of the benefit week;
- (b) in any other case, on the first day of the benefit week in which it is due to be paid.

(4) This paragraph refers, where applicable in each benefit week in respect of which income calculated pursuant to paragraph (1) is taken into account pursuant to paragraphs (2) and (3), to the sums which would have been disregarded under paragraphs 4 to 6B and 9 of Schedule 8 had the income been earnings.

Textual Amendments

- F5** Words in [reg. 39C](#) heading omitted (27.11.2000) by virtue of [The Social Security Amendment \(Employment Zones\) \(No. 2\) Regulations 2000 \(S.I. 2000/2910\)](#), regs. 1(1), **5(1)(c)**
- F6** Words in [reg. 39C\(1\)\(a\)](#) omitted (27.11.2000) by virtue of [The Social Security Amendment \(Employment Zones\) \(No. 2\) Regulations 2000 \(S.I. 2000/2910\)](#), regs. 1(1), **5(1)(c)**

Deduction in respect of tax for participants in the self-employment route^{F7} ...

39D.—(1) The amount to be deducted in respect of income tax under regulation 39C(1)(a) (calculation of income of participants in the self-employment route^{F8}...) in respect of the period determined under regulation 39C(2) shall be calculated as if—

- (a) the chargeable income is the only income chargeable to tax;

- [^{F9}(b) the personal reliefs applicable to the person receiving assistance under the self-employment route under Chapters 2, 3 and 3A of Part 3 of the Income Tax Act 2007 are allowable against that income;]
- (c) the rate at which the chargeable income less the personal [^{F10}reliefs] is assessable to income tax is ^{F11}... the basic rate [^{F12}, or in the case of a Scottish taxpayer, the Scottish basic rate,] of tax.
- (2) For the purpose of paragraph (1), the [^{F13}[^{F14}basic] rate][^{F15}, or the Scottish basic rate,] of tax to be applied and the amount of the [^{F16}personal reliefs] deductible shall, where the period determined under regulation 39C(2) is less than a year, be calculated on a pro rata basis.
- (3) In this regulation, "chargeable income" means the monies in the special account at the end of the last day upon which assistance was received under the self-employment route.]

Textual Amendments

- F7** Words in reg. 39D heading omitted (27.11.2000) by virtue of The Social Security Amendment (Employment Zones) (No. 2) Regulations 2000 (S.I. 2000/2910), regs. 1(1), **5(1)(c)**
- F8** Words in reg. 39D(1) omitted (27.11.2000) by virtue of The Social Security Amendment (Employment Zones) (No. 2) Regulations 2000 (S.I. 2000/2910), regs. 1(1), **5(1)(c)**
- F9** Reg. 39D(1)(b) substituted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(4)(a)**
- F10** Word in reg. 39D(1)(c) substituted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(4)(b)(i)**
- F11** Words in reg. 39D(1)(c) omitted (6.4.2009) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2009 (S.I. 2009/583), regs. 1(2), **2(8)(a)**
- F12** Words in reg. 39D(1)(c) inserted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(4)(b)(ii)**
- F13** Words in reg. 39D(2) substituted (1.10.2007) by The Social Security (Miscellaneous Amendments) (No. 5) Regulations 2007 (S.I. 2007/2618), regs. 1(1), **5(8)**
- F14** Word in reg. 39D(2) substituted (6.4.2009) by The Social Security (Miscellaneous Amendments) Regulations 2009 (S.I. 2009/583), regs. 1(2), **2(8)(b)**
- F15** Words in reg. 39D(2) inserted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(4)(c)(i)**
- F16** Words in reg. 39D(2) substituted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(4)(c)(ii)**

Changes to legislation:

There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, CHAPTER IVA.