STATUTORY INSTRUMENTS

1996 No. 3196

The Child Support (Miscellaneous Amendments) (No. 2) Regulations 1996

Amendment of Schedule 1 to the Maintenance Regulations Assessments and Special Cases

13.—(1) Schedule 1 to the Maintenance Assessments and Special Cases Regulations (calculation of N and M) [M1] shall be amended in accordance with the following provisions of this regulation.

(2) In paragraph 1—

(a) in sub-paragraph (1), after head (a) there shall be inserted the following head—

"(aa) any profit-related pay, whether paid in anticipation of, or following, the calculation of profits;";

(b) in sub-paragraph (2), after head (g) there shall be added the following head—

"(h) any tax-exempt allowance made by an employer to an employee.".

(3) In paragraph 2—

(a) in sub-paragraph (1) for "(2)" there shall be substituted "(1A)";

(b) after sub-paragraph (1), there shall be inserted the following sub-paragraph—

"(1A) Subject to sub-paragraph (4), where a person has claimed, or has been paid, family credit or disability working allowance on any day during the period beginning not earlier than eight weeks before the relevant week and ending not later than the date on which the assessment is made, the child support officer may have regard to the amount of earnings taken into account in determining entitlement to those benefits in order to calculate or estimate the amount of earnings to be taken into account for the purposes of calculating N and M, notwithstanding the fact that entitlement to those benefits may have been determined by reference to earnings attributable to a period other than that specified in sub-paragraph (1).";

(c) for sub-paragraph (2) there shall be substituted the following sub-paragraph—

"(2) Where a person's earnings during the period of 52 weeks ending with the relevant week include—

(a) a bonus, commission, or payment of profit-related pay made in anticipation of the calculation of profits which is paid separately from or in relation to a longer period than, the other earnings with which it is paid; or

(b) a payment in respect of profit-related pay made following the calculation of the employer's profits,

the amount of that bonus, commission or profit-related payment shall be determined for the purposes of the calculation of earnings by aggregating any such payments received in that period and dividing by 52.";

(d) after sub-paragraph (3) there shall be inserted the following sub-paragraph—

"(3A) Where a case is one to which regulation 30A(1) or (3) of the Maintenance Assessment Procedure Regulations applies (effective dates of new maintenance assessments in particular cases), the term "relevant week" shall, for the purpose of this

paragraph, mean the period of 7 days immediately preceding the date on which the information or evidence is received which enables a child support officer to make a new maintenance assessment calculated in accordance with the provisions of Part I of Schedule 1 to the Act in respect of that case for a period beginning after the effective date applicable to that case.”.

(4) In paragraph 3 for sub-paragraph (5) there shall be substituted the following sub-paragraph—

“(5) For the purposes of sub-paragraph (3)(c), the amount in respect of income tax shall be determined in accordance with the following provisions—

(a) subject to head (c), an amount of chargeable earnings equivalent to any personal allowance applicable to the earner by virtue of the provisions of Chapter 1 of Part VII of the Income and Corporation Taxes Act 1988 (personal reliefs) shall be disregarded;

(b) an amount equivalent to income tax shall be calculated with respect to taxable earnings at the rates applicable at the effective date;

(c) the amount to be disregarded by virtue of head (a) shall be calculated by reference to the yearly rate applicable at the effective date, that amount being reduced or increased in the same proportion to that which the period represented by the chargeable earnings bears to the period of one year;

(d) in this sub-paragraph, “taxable earnings" means the chargeable earnings of the earner following the disregard of any applicable personal allowances.”.

(5) In paragraph 5, after sub-paragraph (4) there shall be added the following sub-paragraph—

“(5) Subject to sub-paragraph (3), where a person has claimed, or has been paid, family credit or disability working allowance on any day during the period beginning not earlier than eight weeks before the relevant week and ending not later than the date on which the assessment is made, the child support officer may have regard to the amount of earnings taken into account in determining entitlement to those benefits in order to calculate or estimate the amount of earnings to be taken into account for the purposes of calculating N and M, notwithstanding the fact that entitlement to those benefits may have been determined by reference to earnings attributable to a period other than that specified in sub-paragraph (1).”.

Marginal Citations

M1 Schedule 1 has been amended by XI. 1993/913, 19950045 and 1996/1945.

Changes to legislation:
There are currently no known outstanding effects for the The Child Support (Miscellaneous Amendments) (No. 2) Regulations 1996, Section 13.