

2000 No. 2189

**SOCIAL SECURITY, NORTHERN IRELAND
TAXES, NORTHERN IRELAND**

**The Tax Credits Schemes (Miscellaneous Amendments No.
3) (Northern Ireland) Regulations 2000**

<i>Made - - - -</i>	<i>10th August 2000</i>
<i>Laid before Parliament</i>	<i>11th August 2000</i>
<i>Coming into force</i>	<i>1st September 2000</i>

The Treasury, in exercise of the powers conferred upon them by sections 127(5), 128(2E)(a)(ii), 132(3) and (4)(b) and 133(1) and (2)(c) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(a), and section 2(1)(a) of, and paragraph 1(c) and (d) of Schedule 2 to, the Tax Credits Act 1999(b), hereby make the following Regulations:

Citation, commencement and effect

1.—(1) These Regulations may be cited as the Tax Credits Schemes (Miscellaneous Amendments No. 3) (Northern Ireland) Regulations 2000 and shall come into force on 1st September 2000.

(2) Regulations 3, 8 and 9 have effect in relation to award periods of working families' tax credit commencing on or after 3rd October 2000.

(3) Regulations 4 to 7 and 12 to 15 have effect in relation to the academic year 2000–01 and subsequent academic years.

(4) Regulations 11 and 16 have effect in relation to claims to disabled person's tax credit made, or treated as made, on or after 1st October 2000.

(5) In this regulation—

“the academic year 2000–01” means the period of 12 months commencing on 1st September 2000; and subsequent academic years shall be construed accordingly;

“working families' tax credit” and “disabled person's tax credit” have the meanings given by section 1(1) of the Tax Credits Act 1999.

Amendments to the Family Credit (General) (Northern Ireland) Regulations 1987

2. The Family Credit (General) Regulations (Northern Ireland) 1987(c) are amended in accordance with regulations 3 to 9.

(a) 1992 c. 7. Section 128 was amended by section 14(6) of the Tax Credits Act 1999 (c. 10) in relation to claims to disabled person's tax credit made, or treated as made, on or after 1st October 2000. Section 133(1) is cited because of the meaning it ascribes to “prescribed”.

(b) 1999 c. 10.

(c) S.R. 1987 No. 463.

3. In regulation 4(4)(c)(ii)(bb)(a) after “self-employed earner” insert “or director”.
4. In regulation 37—
- (a) immediately before the definition of “a course of advanced education” insert—
- ““access fund payment” means—
- (a) a payment made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993(b) or Article 5 of the Further Education (Northern Ireland) Order 1997(c);
- (b) a payment made under section 7 or 68 of the Further and Higher Education Act 1992(d); or
- (c) a payment made under section 73 of the Education (Scotland) Act 1980(e);
- which is made for the purpose of assisting a student in financial difficulties;”;
- (b) after the definition of “covenant income” insert—
- ““daily living costs” means food, ordinary clothing or footwear, household fuel or housing costs;”;
- (c) in the definition of “grant”(f) for the words from “a payment derived” to the end of the definition substitute “an access fund payment”;
- (d) after the definition of “last day of the course”(g) insert—
- ““ordinary clothing or footwear” means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;”;
- (e) in paragraph (b)(i) of the definition of “period of study” after “grant”, in both places where that word occurs, insert “or loan”;
- (f) for the definition of “sandwich course” substitute—
- ““sandwich course” has the meaning given by regulation 5(2) of the Education (Student Support) Regulations (Northern Ireland) 2000(h), regulation 5(2) of the Education (Student Support) Regulations 2000(i) or regulation 5(2) of the Education (Student Loans) (Scotland) Regulations 2000(j);”.
5. In regulation 38(k)—
- (a) in paragraph (1) for “and (2A)” substitute “, (2A) and (2B)”;
- (b) in paragraph (2)—
- (i) in sub-paragraph (f) for “£303” substitute “£311”;
- (ii) after sub-paragraph (g) add—
- “(h) that is an access fund payment and is intended to be used for any item other than daily living costs of any member of the student’s family or is used for any rent or rates or both for which any member of that family is liable.”;
- (c) in paragraph (2A)—
- (i) in sub-paragraph (a) for “£250” substitute “£255”;
- (ii) in sub-paragraph (b) for “£303” substitute “£311”;
- (d) after paragraph (2A) insert—
- “(2B) There shall be disregarded from a student’s grant income £20 of any weekly access fund payment used for daily living costs of any member of the student’s family or,

(a) Regulation 4(4)(c)(ii)(bb) was amended by regulation 2 of S.R. 1997 No. 152.

(b) S.I. 1993/2810 (N.I. 12).

(c) S.I. 1997/1772 (N.I. 15).

(d) 1992 c. 13.

(e) 1980 c. 44.

(f) The definition was amended by S.R. 1990 No. 297.

(g) The definition was inserted by regulation 6(a) of S.R. 1991 No. 326.

(h) S.R. 2000 No. 213.

(i) S.I. 2000/1121.

(j) S.S.I. 2000/200.

(k) Regulation 38 was amended by regulation 10 of S.R. 1992 No. 148, regulation 3(2) of S.R. 1996 No. 405 and regulation 5(3)(a) and (b) of S.R. 1999 No. 317.

where any access fund payment so used covers a period of more than a week, £20 for each complete week covered by the payment.”;

- (e) in paragraph (3) for the words from “, except any amount” to the end substitute “shall, subject to paragraph (4), be apportioned equally between the weeks in the period of 52 weeks beginning with and including the start of the academic year in respect of which the grant is payable.”;
- (f) omit paragraph (3A).

6. After regulation 42 insert—

“Calculation of capital—lump sum access fund payment

42ZA. There shall be disregarded from the calculation of a student’s capital under regulation 29(1) any lump sum access fund payment made to the student that is not intended to be used for daily living costs, but only for a period of 52 weeks beginning with and including the date of receipt of the payment.”.

7. In regulation 42A(a)—

- (a) for paragraph (1) substitute—

“(1) A student loan shall be treated as income unless it is a hardship loan (in which case it shall be disregarded).”;

- (b) after paragraph (1) as substituted insert—

“(1A) For the purposes of paragraph (1) “hardship loan” means a loan made under—

- (a) regulation 21 of the Education (Student Support) Regulations (Northern Ireland) 2000**(b)**;
- (b) regulation 21 of the Education (Student Support) Regulations 2000; or
- (c) regulation 12 of the Education (Student Loans) (Scotland) Regulations 2000.”;
- (c) in paragraph (2)(a) after “the weeks in” insert “the period of 52 weeks beginning with and including the start of”;
- (d) in paragraph (5)—
 - (i) in sub-paragraph (a) for “£250” substitute “£255”;
 - (ii) in sub-paragraph (b) for “£303” substitute “£311”.

8. In regulation 46—

- (a) in paragraph (1)**(c)** after sub-paragraph (b) add the following sub-paragraph—

“(c) in respect of any child or young person to whom paragraph (1B) applies, the allowance specified in paragraph (4) of column (2) of Schedule 4.”;

- (b) after paragraph (1A)**(d)** insert the following paragraphs—

“(1B) This paragraph applies to a child or young person for whom the claimant or his partner is responsible and who is a member of the claimant’s household, and—

- (a) in respect of whom disability living allowance is payable, or has ceased to be payable solely because he is a patient; or
- (b) who is identified as a person who is blind in pursuance of arrangements under section 1(1) of the Chronically Sick and Disabled Persons (Northern Ireland) Act 1978**(e)**; or
- (c) who ceased to so identified within the 28 weeks immediately preceding the date of claim.

(a) Regulation 42A was inserted by regulation 3(5) of S.I. 1990/1549 and amended by regulation 6(5) of S.I. 1999/1935.

(b) S.R. 2000 No. 213.

(c) Regulation 46(1) was amended by regulation 11(a) of S.I. 1988/660, regulation 7 of S.I. 1995/1339, regulation 5 of S.I. 1996/2545 and regulation 7(2) of, and paragraph (1) of Schedule 1 to, S.I. 1999/2487.

(d) Regulation 46(1A) was inserted by regulation 7(3) of S.I. 1999/2487.

(e) 1978 c. 53.

(1C) For the purposes of paragraph (1B)(a), “patient” has the same meaning as in regulation 8(3)(a).”

9. In Schedule 4 (determination of maximum amounts of family credit)(a) after paragraph 3 there shall be added the following paragraph—

“4. Child or young person to whom regulation 46(1B) applies (disabled child or young person) 4. £22.25.”

Amendments to the Disability Working Allowance (General) Regulations (Northern Ireland) 1992

10. The Disability Working Allowance (General) Regulations (Northern Ireland) 1992(b) are amended in accordance with regulations 11 to 16.

11. In regulation 4 after paragraph (b) add—

“or

(c) the claim relates to section 128(2C)(c) of the Contributions and Benefits Act (fast-track procedure).”

12. In regulation 41—

(a) immediately before the definition of “a course of advanced education” insert—

“ “access fund payment” means—

(a) a payment made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993(d) or Article 5 of the Further Education (Northern Ireland) Order 1997(e);

(b) a payment made under section 7 or 68 of the Further and Higher Education Act 1992(f); or

(c) a payment made under section 73 of the Education (Scotland) Act 1980(g); which is made for the purpose of assisting a student in financial difficulties;”;

(b) after the definition of “covenant income” insert—

“ “daily living costs” means food, ordinary clothing or footwear, household fuel or housing costs;”;

(c) after the definition of “last day of the course” insert—

“ “ordinary clothing or footwear” means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities;”;

(d) in paragraph (b)(i) of the definition of “period of study” after “grant”, in both places where that word occurs, insert “or loan”;

(e) for the definition of “sandwich course” substitute—

“ “sandwich course” has the meaning given by regulation 5(2) of the Education (Student Support) Regulations (Northern Ireland) 2000(h), regulation 5(2) of the Education (Student Support) Regulations 2000(i) or regulation 5(2) of the Education (Student Loans) (Scotland) Regulations 2000(j);”.

(a) Schedule 4 was amended by regulation 13 of, and paragraph (1) of Schedule 1 to, S.I. 1999/2487, regulation 3(d) of, and Schedule 1 to, S.I. 2000/931 and regulation 2 of S.I. 2000/1324.

(b) S.R. 1992 No. 78.

(c) Subsections (2C) to (2F) of section 128 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 were inserted by section 14(4) of the Tax Credits Act 1999.

(d) S.I. 1993/2810 (N.I. 12).

(e) S.I. 1997/1772 (N.I. 15).

(f) 1992 c. 13.

(g) 1980 c. 44.

(h) S.R. 2000 No. 213.

(i) S.I. 2000/1121.

(j) S.S.I. 2000/200.

13. In regulation 42(a)—

(a) in paragraph (1)(b) for “and (2A)” substitute “, (2A) and (2B)”;

(b) in paragraph (2) after sub-paragraph (f) add—

“(g) that is an access fund payment and is intended to be used for any item other than daily living costs of any member of the student’s family or is used for any rent or rates or both for which any member of that family is liable.”;

(c) in paragraph (2A)—

(i) in sub-paragraph (a) for “£250” substitute “£255”;

(ii) in sub-paragraph (b) for “£303” substitute “£311”;

(d) after paragraph (2A) insert—

“(2B) There shall be disregarded from a student’s grant income £20 of any weekly access fund payment used for daily living costs of any member of the student’s family or, where any access fund payment so used covers a period of more than a week, £20 for each complete week covered by the payment.”;

(e) in paragraph (3) for the words from “, except any amount” to the end substitute “shall, subject to paragraph (5), be apportioned equally between the weeks in the period of 52 weeks beginning with and including the start of the academic year in respect of which the grant is payable.”;

(f) omit paragraph (4).

14. After regulation 46 insert—

“Calculation of capital—lump sum access fund payment

46A. There shall be disregarded from the calculation of a student’s capital under regulation 32(1) any lump sum access fund payment made to the student that is not intended to be used for daily living costs, but only for a period of 52 weeks beginning with and including the date of receipt of the payment.”.

15. In regulation 47(c)—

(a) for paragraph (1) substitute—

“(1) A student loan shall be treated as income unless it is a hardship loan (in which case it shall be disregarded).”;

(b) after paragraph (1) as substituted insert—

“(1A) For the purposes of paragraph (1) “hardship loan” means a loan made under—

(a) regulation 21 of the Education (Student Support) Regulations (Northern Ireland) 2000(d);

(b) regulation 21 of the Education (Student Support) Regulations 2000; or

(c) regulation 12 of the Education (Student Loans) (Scotland) Regulations 2000.”;

(c) in paragraph (2)(a) after “the weeks in” insert “the period of 52 weeks beginning with and including the start of”;

(d) in paragraph (5)—

(i) in sub-paragraph (a) for “£250” substitute “£255”;

(ii) in sub-paragraph (b) for “£303” substitute “£311”.

16. In Part VI after regulation 53 add the following regulation—

(a) Regulation 42 has been amended. The relevant amending instrument is S.R. 1992 No. 403.
(b) Paragraph (1) was amended, and paragraph (2A) inserted by regulation 2(10) of S.R. 1992 No. 403.
(c) Regulation 47 was amended by regulation 7(5) of S.I. 1999/1935.
(d) S.R. 2000 No. 213.

“Entitlement to disabled person’s tax credit under section 128(2C) of the Contributions and Benefits Act

53A. The prescribed amount for the purpose of section 128(2E)(a)(ii)(a) of the Contributions and Benefits Act (the required amount for the purpose of section 128(2C)) shall be £15.00 per week.”.

10th August 2000

Jim Dowd
Bob Ainsworth
Two of the Lords Commissioners of Her Majesty’s Treasury

(a) Subsections (2C) to (2F) were inserted in section 128 by section 14(4) of the Tax Credits Act 1999.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Family Credit (General) Regulations (Northern Ireland) 1987 (S.R. 1987 No. 463) (“the Family Credit Regulations”) and the Disability Working Allowance Regulations (Northern Ireland) 1992 (S.R. 1992 No. 78) (“the Disability Working Allowance Regulations”).

Regulation 1 provides for citation, commencement and effect.

Regulations 2 to 9 amend the Family Credit Regulations.

Regulation 2 introduces regulations 3 to 9.

Regulation 3 extends regulation 4(4)(c)(ii)(bb) of the Family Credit Regulations (average hours worked for self-employed earners) to company directors.

Regulations 4, 5 and 7 make various amendments to regulations 37, 38 and 42A of the Family Credit Regulations (definitions, student grants and student loans).

Regulation 6 inserts a new regulation 42ZA in the Family Credit Regulations (disregard of lump sum access fund payment in calculating amount of student’s capital for the purpose of working families’ tax credit).

Regulations 8 and 9 amend regulation 46 of, and Schedule 4 to, the Family Credit Regulations so as to add a disabled child’s credit to the computation of working families’ tax credit.

Regulations 10 to 16 amend the Disability Working Allowance Regulations.

Regulation 10 introduces regulations 11 to 16.

Regulation 11 amends regulation 4 of the Disability Working Allowance Regulations and provides that a declaration of physical or mental disability by a claimant on an initial claim for disabled person’s tax credit is not conclusive that he has a disability where the claim is based on the fast track procedure for claiming disabled person’s tax credit on or after 1st October 2000.

Regulations 12, 13 and 15 amend regulations 41, 42 and 47 of the Disability Working Allowance Regulations (definitions, student grants and student loans).

Regulation 14 inserts a new regulation 46A in the Disability Working Allowance Regulations (disregard of lump sum access fund payment in calculating amount of student’s capital for the purpose of disabled person’s tax credit).

Regulation 16 prescribes the minimum amount of a claimant’s earnings reduction due to disability for the purposes of the fast track procedure for claiming disabled person’s tax credit on or after 1st October 2000.

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