

## SCHEDULE 8

### **Sums disregarded in the calculation of earnings: persons who are not pensioners**

**18.**—(1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and the applicant's net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of the applicant's earnings that falls to be disregarded under paragraphs 4 to 12, is to be increased by £17.10.

(2) The conditions of this sub-paragraph are that—

(a) the applicant, or if the applicant is a member of a couple, either the applicant or the applicant's partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 applies; or

(b) the applicant—

(i) is, or if the applicant is a member of a couple, at least one member of that couple is aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or

(ii) is a member of a couple and—

(aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and

(bb) the applicant's applicable amount includes a family premium under paragraph 4 of Schedule 7; or

(iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or

(iv) is, or if the applicant is a member of a couple, at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and—

(aa) the applicant's applicable amount includes a disability premium under paragraph 9, the work-related activity component under paragraph 23 or the support component under paragraph 22 of Schedule 7 respectively;

(bb) where the applicant is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium or either of the components referred to in paragraph (aa) above and is engaged in remunerative work for on average not less than 16 hours per week; or

(c) the applicant is, or if the applicant has a partner, one of them is, a person to whom regulation 18(3) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 (eligibility for 50 plus element) applies, or would apply if an application for working tax credit were to be made in that person's case.

(3) The following are the amounts referred to in sub-paragraph (1)—

(a) the amount calculated as disregardable from the applicant's earnings under paragraphs 4 to 12;

(b) the amount of child care charges calculated as deductible under paragraph 20(1)(c) of Schedule 6 (calculation of income on a weekly basis: persons who are not pensioners); and

(c) £17.10.

(4) The provisions of regulation 10 (remunerative work) are to apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in sub-paragraph (1) of that paragraph were a reference to 30 hours.

(5) In this Schedule "part-time employment" means employment in which the person is engaged on average for less than 16 hours a week.