1988 No. 423

SOCIAL SECURITY

The Family Credit (General) (Amendment No. 4) Regulations (Northern Ireland) 1988

Made . . . . . 1st December 1988

Coming into operation . . 5th December 1988

The Department of Health and Social Services, in exercise of the powers conferred on it by Article 23(8) and (9) of the Social Security (Northern Ireland) Order 1986(**a**) and of all other powers enabling it in that behalf, hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Family Credit (General) (Amendment No. 4) Regulations (Northern Ireland) 1988 and shall come into operation on 5th December 1988.

(2) In these regulations "the principal regulations" means the Family Credit (General) Regulations (Northern Ireland) 1987(**b**).

Amendment of regulation 2 of the principal regulations

2. In regulation 2(1) of the principal regulations (interpretation) after the definition of "close relative" there shall be inserted the following definition—

> " "community charge rebate" means a rebate under the provisions of section 24(*a*) of the Abolition of Domestic Rates Etc. (Scotland) Act 1987(**c**);".

Amendment of regulation 14 of the principal regulations

3. In regulation 14(1) of the principal regulations (normal weekly earnings of employed earners) for "the claim is received" wherever it occurs there shall be substituted "the date of claim falls".

Amendment of regulation 15 of the principal regulations

4. In regulation 15 of the principal regulations (normal weekly earnings of self-employed earners)—

(*a*) in paragraph (1)—

(i) in sub-paragraph (*a*) at the beginning there shall be inserted "except where sub-paragraph (*b*) applies,"; and for "the claim is received" there shall be substituted "the date of claim falls",

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(**a**) S.I. 1986/1888 (N.I. 18)
(**b**) S.R. 1987 No. 463; relevant amending regulations are S.R. 1988 No. 131, 192, 205 and 303
(**c**) 1987 c. 47; section 24 was amended by paragraph 32 of Schedule 12 to the Local Government Finance Act 1988 (c. 41)

(ii) for sub-paragraph (*b*) there shall be substituted the following sub-paragraph—

"(*b*) where the claimant provides in respect of the employment a profit and loss account and, where appropriate, a trading account or a balance sheet or both, and the profit and loss account is in respect of a period of at least 6 months but not exceeding 15 months and that period terminates within the 12 months preceding the date of claim, over that period; or",

(iii) in sub-paragraph (*c*) for "the claim is received" there shall be substituted "the date of claim falls";

(*b*) after paragraph (1) there shall be inserted the following paragraph—

"(1A) in paragraph (1)(*b*)—

(*a*) "balance sheet" means a statement of the financial position of the employment disclosing its assets, liabilities and capital at the end of the period in question;

(*b*) "profit and loss account" means a financial statement showing the net profit or loss of the employment for the period in question; and

(*c*) "trading account" means a financial statement showing the revenue from sales, the cost of those sales and the gross profit arising during the period in question.".

Amendment of regulation 16 of the principal regulations

5. In regulation 16 of the principal regulations (normal weekly income other than earnings)—

(*a*) in paragraph (1) for "the date of claim" there shall be substituted "the week in which the date of claim falls"; and for "that date" there shall be substituted "that week";

(*b*) in paragraph (2)(*b*) for "the claim is received" there shall be substituted "the date of claim falls".

Amendment of regulation 18 of the principal regulations

6. In regulation 18 of the principal regulations (calculation of weekly amount of income) for paragraph (2) there shall be substituted the following paragraph—

"(2) For the purposes of regulation 15 (normal weekly earnings of self-employed earners) the weekly amount of earnings of a claimant shall be determined—

(*a*) except where sub-paragraph (*b*) applies, by dividing his earnings received in the assessment period or, as the case may be, estimated for that period by the number equal to the number of weeks in that period;

(*b*) in a case where regulation 15(1)(*b*) applies, by multiplying his earnings relevant to the assessment period (whether or not received in that period) by 7 and dividing the product by the number equal to the number of days in that period.".

Amendment of regulation 22 of the principal regulations

7. In regulation 22 of the principal regulations (calculation of net profit of self-employed earners)—

(*a*) in paragraph (3), after "except where paragraph" there shall be inserted "(3A),"; and for "over the assessment period" there shall be substituted "received in the assessment period";

(*b*) after paragraph (3) there shall be inserted the following paragraph—

"(3A) For the purposes of paragraph (1)(*a*), in a case where the assessment period is determined under regulation 15(1)(*b*), the net profit of the employment shall, except where paragraph (9) applies, be calculated by taking into account the earnings of the employment relevant to that period (whether or not received in that period), less—

(*a*) subject to paragraphs (5) to (7), any expenses relevant to that period (whether or not defrayed in that period) and which were wholly and exclusively incurred for the purposes of that employment;

(*b*) an amount in respect of—

(i) income tax, and

(ii) social security contributions payable under the Act,

calculated in accordance with regulation 23; and

(*c*) one half of any qualifying premium payable.";

(*c*) in paragraph (4) after "except where paragraph" there shall be inserted "(4A), (9) or"; and for "over the assessment period" there shall be substituted "received in the assessment period";

(*d*) after paragraph (4) there shall be inserted the following paragraph—

"(4A) For the purposes of paragraph (1)(*b*), in a case where the assessment period is determined under regulation 15(1)(*b*), the net profit of the employment shall, except where paragraph (9) applies, be calculated by taking into account the earnings of the employment relevant to that period (whether or not received in that period) less, subject to paragraphs (5) to (7), any expenses relevant to that period (whether or not defrayed in that period) and which were wholly and exclusively incurred for the purposes of that employment.";

(*e*) in paragraphs (5), (6), (7) and (8) for "paragraph (3)(*a*) or (4)" there shall be substituted "paragraph (3)(*a*), (3A)(*a*), (4) or (4A), as the case may be,";

(*f*) for paragraph (10) there shall be substituted the following paragraph—

"(10) Where regulation 15(2) (normal weekly earnings of self-employed earners) applies—

(*a*) for the purposes of paragraph (1)(*a*), the net profit derived from the employment shall be calculated by taking into account the claimant's estimated and, where appropriate, actual earnings from the employment less the amount of the deductions likely to be made and, where appropriate, made under sub-paragraphs (*a*) to (*c*) of paragraph (3);