

SCHEDULE 6

Determining eligibility for a reduction under an authority's scheme, amount of reduction and calculation of income and capital: persons who are not pensioners

PART 4

Income and capital for the purposes of calculating eligibility for a reduction under an authority's scheme and amount of reduction

CHAPTER 4

Income: persons who are not pensioners

Calculation of income on a weekly basis

20.—(1) Subject to paragraph 23 (disregard of changes in tax, etc), the income of an applicant is to be calculated on a weekly basis—

- (a) by estimating the amount which is likely to be the applicant's average weekly income in accordance with this Part;
 - (b) by adding to that amount the weekly income calculated under paragraph 33 (tariff income); and
 - (c) deducting from the sum of paragraphs (a) and (b) any relevant child care charges to which paragraph 21 (treatment of child care charges) applies from any earnings which form part of the average weekly income or, in a case where the conditions in sub-paragraph (2) are met, from those earnings plus whichever credit specified in paragraph (b) of that sub-paragraph is appropriate, up to a maximum deduction in respect of the applicant's family of whichever of the sums specified in sub-paragraph (3) applies in the applicant's case.
- (2) The conditions of this paragraph are that—
- (a) the applicant's earnings which form part of the applicant's average weekly income are less than the lower of either the applicant's relevant child care charges or whichever of the deductions specified in paragraph (3) otherwise applies in the applicant's case; and
 - (b) that applicant or, if the applicant is a member of a couple either the applicant or the applicant's partner, is in receipt of either working tax credit or child tax credit.
- (3) The maximum deduction to which paragraph (1)(c) above refers is to be—
- (a) where the applicant's family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week;
 - (b) where the applicant's family includes more than one child in respect of whom relevant child care charges are paid, £300 per week.