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STATUTORY RULES OF NORTHERN IRELAND

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**2017 No. 176**

The Loans for Mortgage Interest  
Regulations (Northern Ireland) 2017

**Calculation in respect of qualifying loans**

**11.**—(1) Subject to paragraphs (3) and (4), the amount to be included in each loan payment for owner-occupier payments which are payments of interest on qualifying loans is determined as follows.

*Step 1*

Determine the amount of capital for the time being owing in connection with each qualifying loan to which the owner-occupier payments relate.

*Step 2*

If there is more than one qualifying loan, add together the amounts determined in step 1.

*Step 3*

Determine the identified amount which is the lower of—

- (a) (a) the amount resulting from step 1 or 2; and
- (b) (b) the capital limit specified in paragraph (2)(a) or (b).

If both amounts in (a) and (b) are the same, that is the identified amount.

*Step 4*

In respect of a legacy benefit claimant or SPC claimant, apply the following formula to achieve a weekly sum—

In respect of a UC claimant, apply the following formula to achieve a monthly sum—

$$\frac{A \times SR}{52} - I$$

In respect of a UC claimant, apply the following formula to achieve a monthly sum—

$$\frac{A \times SR}{12} - I$$

In either case—

“A” is the identified amount in step 3,

“SR” is the standard rate that applies at the end of the calculation (see regulation 13 (standard rate to be applied under regulations 11 and 12)), and

“I” is the amount of any income, in the case of a legacy benefit claimant or SPC claimant, or unearned income, in the case of a UC claimant, above the claimant's applicable amount.

The result is the amount to be included in each loan payment for owner-occupier payments which are payments of interest on qualifying loans.

(2) The capital limit is—

(a) £200,000—

(i) in the case of a legacy benefit claimant or SPC claimant where the Modified Rules apply;

(ii) in the case of a UC claimant;

(b) £100,000 in all other cases.

(3) In the application of paragraph (2) to a qualifying loan (or any part of a qualifying loan) which was taken out for the purpose of making necessary adaptations to the accommodation to meet the needs of a disabled person—

(a) the qualifying loan (or the part of the qualifying loan) is to be disregarded for the purposes of steps 2 and 3; and

(b) “A” in step 4 is to be read as the amount resulting from step 1 in respect of the qualifying loan (or the sum of those amounts if there is more than one qualifying loan taken out for the purpose of making such adaptations) plus the amount (if any) resulting from step 3 in relation to any other qualifying loan or loans.

(4) Subject to paragraph (5), any variation in the amount of capital for the time being owing in connection with a qualifying loan is not to be taken into account after the relevant date until such time as the Department recalculates the amount which shall occur—

(a) on the first anniversary of the relevant date; and

(b) in respect of any variation after the first anniversary, on the next anniversary which follows the date of the variation.

(5) In respect of an existing claimant, the Department shall recalculate the amount of capital owing in connection with a qualifying loan on the anniversary of the date on which the claimant's qualifying benefit first included an amount for owner-occupier payments.

**Changes to legislation:**

There are currently no known outstanding effects for the The Loans for Mortgage Interest Regulations (Northern Ireland) 2017, Section 11.