

SCOTTISH STATUTORY INSTRUMENTS

**2012 No. 319**

**The Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012**

**PART 6**

Income and capital

CHAPTER 4

Self-employed earners

**Deduction of tax and contributions of self-employed earners**

**37.**—(1) The amount to be deducted in respect of income tax under regulation 36(1)(b)(i), (2)(b)(i) or (8)(a)(i) (calculation of net profit of self-employed earners) must be calculated on the basis of the amount of chargeable income and as if that income was assessable to income tax at the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 36 or 37 of the Income Tax Act 2007<sup>M1</sup> (personal allowances) as is appropriate to the applicant's circumstances, but if the assessment period is less than a year the earnings to which the basic rate of tax is to be applied and the amount of the personal reliefs deductible under this paragraph must be calculated on a pro rata basis.

(2) The amount to be deducted in respect of social security contributions under regulation 37(1)(b)(i), (2)(b)(ii) or (8)(a)(ii) is the total of—

<sup>F1</sup>(a) .....

(b) the amount of Class 4 contributions (if any) which would be payable under section 15 of the 1992 Act<sup>M2</sup> at the percentage rate applicable to the assessment period on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year applicable to the assessment period, but if the assessment period is less than a year those limits must be reduced pro rata.

(3) In this regulation “chargeable income” means—

(a) except where sub-paragraph (b) applies, the earnings derived from the employment less any expenses deducted under regulation 36(2)(a) or (3) (calculation of net profit of self-employed earners); and

(b) in the case of employment as a child minder, one third of the earnings of that employment.

**Textual Amendments**

**F1** [Reg. 37\(2\)\(a\)](#) omitted (6.4.2024) by virtue of [The Social Security \(Class 2 National Insurance Contributions\) \(Consequential Amendments and Savings\) Regulations 2024 \(S.I. 2024/377\)](#), regs. 1(1), **8(19)** (with reg. 1(4))

---

**Changes to legislation:** The Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012, Section 37 is up to date with all changes known to be in force on or before 24 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

---

#### Marginal Citations

- M1** [2007 c.3](#). Sections 36 and 37 were amended by section 4 of the [Finance Act 2009 \(c.10\)](#) and S.I. 2011/2926.
- M2** Section 15 was amended by section 13 of the [Limited Liability Partnerships Act 2000 \(c.12\)](#), [section 3](#) of the [National Insurance Contributions Act 2002 \(c.19\)](#), [paragraph 420](#) of Schedule 1, and Schedule 3, to the [Income Tax \(Trading and Other Income\) Act 2005 \(c.5\)](#), [section 2](#) of the [National Insurance Contributions Act 2011 \(c.3\)](#) and S.I. 2011/938 and 2012/807.

**Changes to legislation:**

The Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012, Section 37 is up to date with all changes known to be in force on or before 24 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

[View outstanding changes](#)

**Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:**

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- Sch. 2 para. 5(1)(iiia) inserted by [S.S.I. 2024/141 reg. 9\(7\)](#)
- Sch. 4 para. 21(2)(ab) inserted by [S.S.I. 2024/141 reg. 9\(8\)](#)
- reg. 27(1)(j)(iiic) inserted by [S.S.I. 2024/141 reg. 9\(3\)](#)
- reg. 29(11)(f)(iia) inserted by [S.S.I. 2024/141 reg. 9\(4\)](#)
- reg. 48(6)(b)(ia) inserted by [S.S.I. 2024/141 reg. 9\(5\)\(a\)](#)