

SCHEDULES :

SCHEDULE 3

MARRIED COUPLES: MINOR AND CONSEQUENTIAL PROVISIONS

PART I

AMENDMENTS OF THE TAXES ACT 1988

Home loans

- 14 For the year 1990-91 and subsequent years of assessment the following section shall be substituted for section 356B—

“356B Residence basis: married couples

- (1) A husband and wife who are not separated may jointly elect—
 - (a) that qualifying interest payable or paid by one of them for a year of assessment (or a period within a year), or such part of that interest as may be specified in the election, shall be treated for the purposes of sections 353 to 356A and 369 to 379 as payable or paid by the other, and
 - (b) that the sharer’s limit under section 356A for the year (or period) in the case of one of them shall be reduced by such amount as may be specified in the election and the sharer’s limit under that section for the year (or period) in the case of the other shall be correspondingly increased.
- (2) An election under subsection (1) above—
 - (a) shall be made before the end of the period of twelve months beginning with the end of the first year of assessment for which it is made or such longer period as the Board may in any particular case allow,
 - (b) shall, subject to subsection (4) below, have effect not only for the year of assessment for which it is made but also for subsequent years of assessment, and
 - (c) shall be in such form, and be made in such manner, as the Board may prescribe.
- (3) Where a husband and wife have made an election under subsection (1) above for any year of assessment either of them may give, for any subsequent year, a notice to withdraw that election; and, if he or she does so, the election shall not have effect (in relation to either of them) for the year for which the notice is given or any subsequent year.
- (4) A notice of withdrawal under subsection (3) above—

Status: This is the original version (as it was originally enacted).

- (a) shall be in such form, and be given in such manner, as the Board may prescribe,
 - (b) shall not be given after the end of the period of twelve months beginning with the end of the year of assessment for which it is given or such longer period as the Board may in any particular case allow, and
 - (c) shall not prejudice the making of a fresh election for any subsequent year.
- (5) Where—
- (a) a husband and wife are not separated,
 - (b) the husband pays interest in relation to a residence used or to be used as his only or main residence, and
 - (c) the wife pays interest in relation to some other residence used or to be used as her only or main residence,
- the residence which was purchased first shall be treated for the purposes of sections 355(1)(a) and 356 as used or to be used as the only or main residence of both of them and the other residence shall be treated as used or to be used as the only or main residence of neither.”