
Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2015, Cross Heading: Determination of held amounts. (See end of Document for details)

SCHEDULES

SCHEDULE 8

ENFORCEMENT BY DEDUCTION FROM ACCOUNTS

PART 1

SCHEME FOR ENFORCEMENT BY DEDUCTION FROM ACCOUNTS

Determination of held amounts

- 7 (1) If there is only one relevant account (see paragraph 6(6)) in existence at the time the deposit-taker complies with paragraph 6(1), “the held amount” in relation to that account is—
- (a) if the available amount in respect of the account (see sub-paragraph (3)) exceeds the safeguarded amount, so much of the amount of the excess as does not exceed the specified amount, and
 - (b) if the available amount does not exceed the safeguarded amount, nil.

For the meaning of “the safeguarded amount” and “the specified amount” see paragraph 23(1).

- (2) If there is more than one relevant account in existence at the time the deposit-taker complies with paragraph 6(1), “the held amount” in relation to each relevant account is determined as follows—

Step 1 Determine the available amount in respect of each relevant account.

Step 2 Determine the total of the available amounts in respect of all of the relevant accounts. If that total does not exceed the safeguarded amount, the held amount in relation to each relevant account is nil (and no further steps are to be taken). In any other case, go to Step 3.

Step 3 Match the safeguarded amount against the available amounts in respect of the relevant accounts, taking those accounts in reverse priority order (see sub-paragraph (6)).

Step 4 Match the specified amount against what remains of the available amounts in respect of the relevant accounts by taking each relevant account in priority order (see sub-paragraph (5)) and matching the specified amount (or, as the case may be, what remains of the specified amount) against the available amount for each account until either—

- (a) the specified amount has been fully matched, or
- (b) what remains of the available amounts is exhausted.

Where this sub-paragraph applies, “the held amount”, in relation to a relevant account—

- (i) is so much of the amount standing to the credit of the account as is matched against the specified amount under Step 4, and

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(ii) accordingly, is nil if no amount standing to the credit of the account is so matched against the specified amount.

- (3) In this paragraph “the available amount” means—
- (a) in the case of an account other than a joint account, the amount standing to the credit of that account at the time the deposit-taker complies with paragraph 6(1), or
 - (b) in the case of a joint account, the appropriate fraction of the amount standing to the credit of that account at that time;
- so, if no amount stands to the credit of an account at that time, “the available amount” is nil.

- (4) In this paragraph “the appropriate fraction”, in relation to a joint account, means—

$$\frac{1}{N}$$

where N is the number of persons who together hold the joint account.

- (5) In this paragraph “priority order” means such order as the deposit-taker considers appropriate, but the deposit-taker must ensure—
- (a) that accounts other than joint accounts always have a higher priority than joint accounts, and
 - (b) subject to paragraph (a), that any rule set out in the hold notice under paragraph 4(2)(d) is adhered to.
- (6) In this paragraph “reverse priority order” means the reverse of the order determined under sub-paragraph (5).
- (7) In this paragraph references to an amount standing to the credit of an account are to be read subject to any regulations under paragraph 20(2)(d).

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