

SCHEDULE 1

CALCULATION OF N AND M

PART V

AMOUNTS TREATED AS THE INCOME OF A PARENT

25. The amounts which fall to be treated as income of the parent in calculating or estimating N and M shall include amounts to be determined in accordance with this Part.

26. Where [^{F1}the Secretary of State] is satisfied—

- (a) that a person has performed a service either—
 - (i) without receiving any remuneration in respect of it; or
 - (ii) for remuneration which is less than that normally paid for that service;
- (b) that the service in question was for the benefit of—
 - (i) another person who is not a member of the same family as the person in question; or
 - (ii) a body which is neither a charity nor a voluntary organisation;
- (c) that the service in question was performed for a person who, or as the case may be, a body which was able to pay remuneration at the normal rate for the service in question;
- (d) that the principal purpose of the person undertaking the service without receiving any or adequate remuneration is to reduce his assessable income for the purposes of the Act; and
- (e) that any remuneration foregone would have fallen to be taken into account as earnings,

the value of the remuneration foregone shall be estimated by [^{F1}the Secretary of State] and an amount equal to the value so estimated shall be treated as income of the person who performed those services.

Textual Amendments

- F1** Words in Sch. 1 para. 26 substituted (1.6.1999) by [The Social Security Act 1998 \(Commencement No. 7 and Consequential and Transitional Provisions\) Order 1999 \(S.I. 1999/1510\)](#), arts. 3(1), **19(d)**

27. Subject to paragraphs 28 to 30, where the [^{F2}Secretary of State] is satisfied that, otherwise than in the circumstances set out in paragraph 26, a person has intentionally deprived himself of—

- (a) any income or capital which would otherwise be a source of income;
- (b) any income or capital which it would be reasonable to expect would be secured by him,

with a view to reducing the amount of his assessable income, his net income shall include the amount estimated by [^{F3}the Secretary of State] as representing the income which that person would have had if he had not deprived himself of or failed to secure that income, or as the case may be, that capital.

Textual Amendments

- F2** Words in Sch. 1 para. 27 substituted (1.6.1999) by [The Social Security Act 1998 \(Commencement No. 7 and Consequential and Transitional Provisions\) Order 1999 \(S.I. 1999/1510\)](#), arts. 3(1), **19(e)**
- F3** Words in Sch. 1 para. 27 substituted (1.6.1999) by [The Social Security Act 1998 \(Commencement No. 7 and Consequential and Transitional Provisions\) Order 1999 \(S.I. 1999/1510\)](#), arts. 3(1), **19(d)**

28. No amount shall be treated as income by virtue of paragraph 27 in relation to—

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Changes to legislation: There are currently no known outstanding effects for the *The Child Support (Maintenance Assessments and Special Cases) Regulations 1992, PART V*. (See end of Document for details)

- [^{F4}(a) if the parent satisfies the conditions for payment of the rate of child benefit specified in regulation 2(1)(a)(ii) of the Child Benefit Rates Regulations, an amount representing the difference between that rate and the basic rate, as defined in regulation 4;]
- (b) if the parent is a person to, or in respect of, whom income support is payable, [^{F5}a contribution-based jobseeker's allowance];
- (c) a payment from a discretionary trust or a trust derived from a payment made in consequence of a personal injury.

Textual Amendments

- F4** Sch. 1 para. 28(a) substituted (7.4.1997) by [The Child Benefit, Child Support and Social Security \(Miscellaneous Amendments\) Regulations 1996 \(S.I. 1996/1803\)](#), regs. 1(b), **17(4)**
- F5** Words in Sch. 1 para. 28(b) substituted (7.10.1996) by [The Social Security and Child Support \(Jobseeker's Allowance\) \(Consequential Amendments\) Regulations 1996 \(S.I. 1996/1345\)](#), regs. 1, **6(4)(c)**

29. Where an amount is included in the income of a person under paragraph 27 in respect of income which would become available to him on application, the amount included under that paragraph shall be included from the date on which it could be expected to be acquired.

30. Where [^{F6}the Secretary of State] determines under paragraph 27 that a person has deprived himself of capital which would otherwise be a source of income, the amount of that capital shall be reduced at intervals of 52 weeks, starting with the week which falls 52 weeks after the first week in respect of which income from it is included in the calculation of the assessment in question, by an amount equal to the amount which the [^{F7}Secretary of State] estimates would represent the income from that source in the immediately preceding period of 52 weeks.

Textual Amendments

- F6** Words in Sch. 1 para. 30 substituted (1.6.1999) by [The Social Security Act 1998 \(Commencement No. 7 and Consequential and Transitional Provisions\) Order 1999 \(S.I. 1999/1510\)](#), arts. 3(1), **19(d)**
- F7** Words in Sch. 1 para. 30 substituted (1.6.1999) by [The Social Security Act 1998 \(Commencement No. 7 and Consequential and Transitional Provisions\) Order 1999 \(S.I. 1999/1510\)](#), arts. 3(1), **19(e)**

31. Where a payment is made on behalf of a parent or a relevant child in respect of food, ordinary clothing or footwear, gas, electricity or fuel charges, housing costs or council tax, an amount equal to the amount which the [^{F8}Secretary of State] estimates represents the value of that payment shall be treated as the income of the parent in question except to the extent that such amount is—

- (a) disregarded under paragraph 38 of Schedule 2;
- (b) a payment of school fees paid by or on behalf of someone other than the absent parent.

Textual Amendments

- F8** Words in Sch. 1 para. 31 substituted (1.6.1999) by [The Social Security Act 1998 \(Commencement No. 7 and Consequential and Transitional Provisions\) Order 1999 \(S.I. 1999/1510\)](#), arts. 3(1), **19(e)**

32. Where paragraph 26 applies the amount to be treated as the income of the parent shall be determined as if it were earnings from employment as an employed earner and in a case to which paragraph 27 or 31 applies the amount shall be determined as if it were other income to which Part III of this Schedule applies.

[^{F9}CHAPTER 3

Estimate of earnings where insufficient information available

Textual Amendments

- F9** Sch. 1 Ch. 3 para. 5B inserted (30.4.2012) by [The Pensions Act 2014 \(Consequential, Supplementary and Incidental Amendments\) Order 2012 \(S.I. 2012/712\)](#), regs. 1(1), **5**

5B.—(1) Where the [^{F10}Secretary of State] is calculating earnings of an employed earner or a self-employed earner under Part 1 of Schedule 1 and the information available in relation to those earnings is insufficient or unreliable, the [^{F10}Secretary of State] may estimate those earnings and, in doing so, may make any assumptions as to any fact.

(2) Where the [^{F11}Secretary of State] is satisfied that the person is engaged in a particular occupation, whether as an employee or a self-employed person, the assumptions referred to in subparagraph (1) may include an assumption that the person has the average weekly earnings of a person engaged in that occupation in the United Kingdom or in any part of the United Kingdom.]

Textual Amendments

- F9** Sch. 1 Ch. 3 para. 5B inserted (30.4.2012) by [The Pensions Act 2014 \(Consequential, Supplementary and Incidental Amendments\) Order 2012 \(S.I. 2012/712\)](#), regs. 1(1), **5**
- F10** Words in Sch. 1 para. 5B(1) substituted (1.8.2012) by [The Public Bodies \(Child Maintenance and Enforcement Commission: Abolition and Transfer of Functions\) Order 2012 \(S.I. 2012/2007\)](#), art. 1(2), **Sch. para. 110**
- F11** Words in Sch. 1 para. 5B(2) substituted (1.8.2012) by [The Public Bodies \(Child Maintenance and Enforcement Commission: Abolition and Transfer of Functions\) Order 2012 \(S.I. 2012/2007\)](#), art. 1(2), **Sch. para. 110**

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Changes to legislation:

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