
STATUTORY INSTRUMENTS

2006 No. 213

The Housing Benefit Regulations 2006

PART 6

Income and capital

SECTION 4

Self-employed earners

Deduction of tax and contributions of self-employed earners

39.—(1) The amount to be deducted in respect of income tax under regulation 38(1)(b)(i), (3)(b)(i) or (9)(a)(i) (calculation of net profit of self-employed earners) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at ^{F1}... and the basic rate^{F2}, or in the case of a Scottish taxpayer, the Scottish basic rate,] of tax applicable to the assessment period less only the ^{F3}personal reliefs to which the claimant is entitled under Chapters 2, 3 and 3A of Part 3 of the Income Tax Act 2007 as are] appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the ^{F4}[^{F5}basic] rate^{F6}, or the Scottish basic rate,] of tax is to be applied and the amount of the personal ^{F7}reliefs] deductible under this paragraph shall be calculated on a pro rata basis.

(2) The amount to be deducted in respect of ^{F8}national insurance contributions] under regulation 38(1)(b)(i), (3)(b)(ii) or (9)(a)(ii) shall be the total of—

- (a) the amount of Class 2 contributions payable under section ^{F9}11(2)] or, as the case may be, ^{F10}11(8)] of the Act at the rate applicable to the assessment period except where the claimant's chargeable income is less than the amount specified in section 11(4) of the Act (^{F11}small profits threshold]) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and
 - (b) the amount of Class 4 contributions (if any) which would be payable under section 15 of the Act (Class 4 contributions recoverable under the Income Tax Acts) 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 shall 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 paragraph (3)(a) or, as the case may be, (4) of regulation 38;
 - (b) in the case of employment as a child minder, one third of the earnings of that employment.

Status: Point in time view as at 11/04/2018. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the The Housing Benefit Regulations 2006, Section 39. (See end of Document for details)

Textual Amendments

- F1** Words in reg. 39(1) omitted (6.4.2009) by virtue of [The Social Security \(Miscellaneous Amendments\) Regulations 2009 \(S.I. 2009/583\)](#), regs. 1(2), **6(4)(a)**
- F2** Words in reg. 39(1) inserted (6.4.2016) by [The Social Security \(Scottish Rate of Income Tax etc.\) \(Amendment\) Regulations 2016 \(S.I. 2016/233\)](#), regs. 1, **4(4)(a)**
- F3** Words in reg. 39(1) substituted (6.4.2016) by [The Social Security \(Scottish Rate of Income Tax etc.\) \(Amendment\) Regulations 2016 \(S.I. 2016/233\)](#), regs. 1, **4(4)(b)**
- F4** Words in reg. 39(1) substituted (1.10.2007) by [The Social Security \(Miscellaneous Amendments\) \(No. 5\) Regulations 2007 \(S.I. 2007/2618\)](#), regs. 1(1), **11(6)**
- F5** Word in reg. 39(1) substituted (6.4.2009) by [The Social Security \(Miscellaneous Amendments\) Regulations 2009 \(S.I. 2009/583\)](#), regs. 1(2), **6(4)(b)**
- F6** Words in reg. 39(1) inserted (6.4.2016) by [The Social Security \(Scottish Rate of Income Tax etc.\) \(Amendment\) Regulations 2016 \(S.I. 2016/233\)](#), regs. 1, **4(4)(c)**
- F7** Word in reg. 39(1) substituted (6.4.2016) by [The Social Security \(Scottish Rate of Income Tax etc.\) \(Amendment\) Regulations 2016 \(S.I. 2016/233\)](#), regs. 1, **4(4)(d)**
- F8** Words in reg. 39(2) substituted (1.4.2014 for specified purposes, 7.4.2014 in so far as not already in force) by [The Housing Benefit \(Miscellaneous Amendments\) Regulations 2014 \(S.I. 2014/213\)](#), regs. 1(3), **3(4)(c)**
- F9** Word in reg. 39(2)(a) substituted (6.4.2015) by [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **33(3)(a)**
- F10** Word in reg. 39(2)(a) substituted (6.4.2015) by [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **33(3)(b)**
- F11** Words in reg. 39(2)(a) substituted (6.4.2015) by [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **33(3)(c)**

Status:

Point in time view as at 11/04/2018. This version of this provision has been superseded.

Changes to legislation:

There are currently no known outstanding effects for the The Housing Benefit Regulations 2006, Section 39.