

STATUTORY INSTRUMENTS

2013 No. 378

The Jobseeker's Allowance Regulations 2013

PART 7

Earnings

Deduction of tax and contributions for self-employed earners

62.—(1) Subject to paragraph (2), the amount to be deducted in respect of income tax under regulation 61(1)(b)(i), (3)(b)(i) or (9)(a)(i) (calculation of net profit of self-employed earners) is to be calculated—

(a) on the basis of the amount of chargeable income; and

[^{F1}(b) as if that income were assessable to income tax at the basic rate, or in the case of a Scottish taxpayer, the Scottish basic rate, of tax less only the 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 their circumstances;]

(2) If the period determined under regulation 55 is less than a year, the earnings to which the basic rate[^{F2}, or the Scottish basic rate,] of tax is to be applied and the amount of the [^{F3}personal reliefs deductible under paragraph (1) are] to be calculated on a pro rata basis.

(3) Subject to paragraph (4), the amount to be deducted in respect of national insurance contributions under regulation 61(1)(b)(i), (3)(b)(ii) or (9)(a)(ii) is to be the total of—

^{F4}(a)

(b) the amount of Class 4 contributions (if any) which would be payable under section 15 of that Act (Class 4 contributions recoverable under the Income Tax Acts)^{M1} at the percentage rate applicable at the date of claim 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 in which the date of claim falls.

(4) If the period determined under regulation 55 is less than a year—

^{F5}(a)

(b) the limits referred to in paragraph (3)(b) are to be reduced pro rata.

(5) 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 61(3)(a) or, as the case may be, (4);

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

Textual Amendments

F1 Reg. 62(1)(b) substituted (6.4.2016) by [The Social Security \(Scottish Rate of Income Tax etc.\) \(Amendment\) Regulations 2016 \(S.I. 2016/233\)](#), regs. 1, **7(3)(a)**

- F2** Words in reg. 62(2) inserted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **7(3)(b)(i)**
- F3** Words in reg. 62(2) substituted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **7(3)(b)(ii)**
- F4** Reg. 62(3)(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(20)(a)(i)** (with reg. 1(4))
- F5** Reg. 62(4)(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(20)(a)(ii)** (with reg. 1(4))

Marginal Citations

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

Changes to legislation:

There are currently no known outstanding effects for the The Jobseeker's Allowance Regulations 2013, Section 62.