

SCHEDULE 3

Regulation 33

STUDENT'S CONTRIBUTION

PART 1

Interpretation

1.—(1) In this Schedule—

“EEA State” (“*Gwladwriaeth yr AEE*”) has the meaning given by paragraph 1 of Part 1 of Schedule 2;

“existing student” (“*myfyriwr presennol*”) means a College of Europe student who is not a new student;

“financial year” (“*blwyddyn ariannol*”) means the period of twelve months in respect of which the income of a person whose residual income is calculated under the provisions of Part 2 of this Schedule is computed for the purposes of the income tax legislation which applies to it;

“household income” (“*incwm yr aelwyd*”) has the meaning given in paragraph 2;

“independent eligible student” (“*myfyriwr cymwys annibynnol*”) has the meaning given in sub-paragraph (2);

“Member State” (“*Aelod-wladwriaeth*”) means a Member State of the European Community;

“new student” (“*myfyriwr newydd*”) means a College of Europe student who begins a designated course on or after 1 September 2004;

“parent” (“*rhiant*”) means a natural or adoptive parent and “child” (“*plentyn*”), “mother” (“*mam*”) and “father” (“*tad*”) are to be construed accordingly;

“parent student” (“*myfyriwr sy'n rhiant*”) means a College of Europe student who is the parent of a College of Europe student;

“partner” (“*partner*”) in relation to a student means any of the following—

- (i) the spouse of the student;
- (ii) the civil partner of the student;
- (iii) a person ordinarily living with the student as if he or she were the spouse of the student where the student falls within sub-paragraph (2)(a) and begins the designated course on or after 1 September 2000;
- (iv) a person ordinarily living with the student as if that person were the student’s civil partner where the student falls within sub-paragraph (2)(a) and begins the designated course on or after 1 September 2005;

“partner” (“*partner*”) in relation to the parent of a College of Europe student means any of the following other than another parent of the College of Europe student—

- (a) the spouse of the College of Europe student’s parent;
- (b) the civil partner of the College of Europe student’s parent;
- (c) a person ordinarily living with the parent of the College of Europe student as if he or she were the parent’s spouse;
- (d) a person ordinarily living with the parent of the College of Europe student as if he or she were the parent’s civil partner;

“preceding financial year” (“*blwyddyn ariannol flaenorol*”) means the financial year immediately preceding the relevant year;

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“relevant year” (“*blwyddyn berthnasol*”) means the academic year in respect of which the household income falls to be assessed;

“residual income” (“*incwm gweddilliol*”) means taxable income after the application of paragraph 3 (in the case of a student), paragraph 4 (in the case of a College of Europe student’s parent), paragraph 5 (in the case of a student’s partner) and paragraph 6 (in the case of the partner of a College of Europe Student’s parent);

“student” (“*myfyriwr*”) means a College of Europe student or a European University Institute student as the case may be.

“taxable income” (“*incwm trethadwy*”) means, in relation to paragraph 3, in respect of an academic year for which support is sought and, in relation to paragraph 4, in respect (subject to sub-paragraphs (3), (4) and (5) of paragraph 4) of the preceding financial year, a person’s taxable income from all sources computed as for the purposes of—

- (a) the Income Tax Acts;
- (b) the income tax legislation of another EEA State or Switzerland which applies to the person’s income;
- (c) where the legislation of more than one EEA State or of an EEA State and Switzerland applies to the period, the legislation under which the Welsh Ministers consider the person will pay the largest amount of tax in that period (except as otherwise provided in paragraph 4);

(2) An “independent eligible student” (“*myfyriwr cymwys annibynnol*”) is a College of Europe student where—

- (a) he or she is aged 25 or over on the first day of the relevant year;
- (b) he or she is married or in a civil partnership before the beginning of the relevant year, whether or not the marriage or civil partnership is still subsisting;
- (c) he or she has no parent living;
- (d) the Welsh Ministers are satisfied that neither of his or her parents can be found or that it is not reasonably practicable to get in touch with either of them;
- (e) he or she has communicated with neither of his or her parents for the period of one year before the beginning of the relevant year or, in the opinion of the Welsh Ministers, he or she can demonstrate on other grounds that he or she is irreconcilably estranged from his or her parents;
- (f) he or she has been provided with accommodation by, or he or she has, pursuant to an order of a competent court been in the custody or care of, any legal person who is not the student’s parent throughout any three-month period ending on or after the date on which he or she attains the age of 16 and before the first day of his or her course (“the relevant period”) (provided that he or she has not in fact at any time during the relevant period been under the charge or control of his or her parents);
- (g) his or her parents are residing outside of the European Community and the Welsh Ministers are satisfied that either—
 - (i) the assessment of the household income by reference to their residual income would place those parents in jeopardy; or
 - (ii) it would not be reasonably practicable for those parents as a result of the calculation of any contribution under paragraph 7 to send any relevant funds to the United Kingdom;
- (h) where paragraph 4(9) applies and the parent whom the Welsh Ministers considered the more appropriate for the purposes of that paragraph has died (irrespective of whether the parent in question has a partner);

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- (i) he or she is a member of a religious order who resides in a house of that order;
 - (j) as at the first day of the relevant year, he or she has the care of a person under the age of 18; or
 - (k) he or she has supported himself or herself out of his or her earnings for any period or periods ending before the first academic year of the course which periods together aggregate not less than three years, and for the purposes of this paragraph he or she is to be treated as supporting himself or herself out of his or her earnings during any period in which—
 - (i) he or she was participating in arrangements for training for the unemployed under any scheme operated by, sponsored or funded by any state authority or agency, whether national, regional or local (“relevant authority”);
 - (ii) he or she was in receipt of benefit payable by any relevant authority in respect of a person who is available for employment but who is unemployed;
 - (iii) he or she was available for employment and complied with any requirement of registration imposed by a relevant authority as a condition of entitlement for participation in arrangements for training or receipt of benefits;
 - (iv) he or she held a State Studentship or other comparable award; or
 - (v) he or she received any pension, allowance or other benefit paid by any person by reason of a disability to which he or she is subject, or by reason of confinement, injury or sickness.
- (3) Any College of Europe student who qualifies as an independent eligible student under subparagraph (2)(j) in respect of an academic year of a designated course retains that status for the duration of the period of eligibility.

PART 2

Calculation of contribution

Household income

2.—(1) The amount of a College of Europe student or a European University Institute student’s contribution depends on the household income.

- (2) The household income is—
 - (a) in the case of a College of Europe student who is not an independent eligible student, the residual income of the eligible student aggregated with the residual income of the College of Europe student’s parents (subject to paragraph 4(9)) and—
 - (i) in the case of a new student who began the course before 1 September 2005, the residual income of the partner of the student’s parent (other than a person ordinarily living with the parent of an eligible student as if he or she were the parent’s civil partner) provided that the Welsh Ministers have selected that parent under paragraph 4(9); or
 - (ii) in the case of a new student who began the course on or after 1 September 2005, the residual income of the partner of the student’s parent (provided that the Welsh Ministers have selected that parent under paragraph 4(9));
 - (b) in the case of—
 - (i) an independent eligible student who has a partner: or
 - (ii) a European University Institute student who has a partner,

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the residual income of the student aggregated with the residual income of that student's partner (subject to sub-paragraph (5)); or

(c) in the case of—

(i) an independent eligible student who does not have a partner; or

(ii) a European University Institute student who does not have a partner,
the residual income of that student.

(3) In determining the household income under sub-paragraph (2), the sum of £1,100 is deducted—

(a) in the case of a College of Europe student—

(i) for each child wholly or mainly financially dependent on the student or his or her partner; or

(ii) for each child other than the College of Europe student wholly or mainly financially dependent on the College of Europe student's parent or the student's parent's partner whose residual income is being taken into account; and

(b) in the case of a European University Institute student, for each child wholly or mainly financially dependent on the student or his or her partner.

(4) For the purpose of calculating the contribution payable in respect of a parent student, the residual income of the parent student's partner is not to be aggregated under sub-paragraph (2)(b) in the case of a parent student whose child or whose partner's child holds an award in respect of which the household income is calculated with reference to the residual income of the parent student or of the parent student's partner or of both.

Calculation of the student's residual income

3.—(1) For the purpose of determining the residual income of a student, there is to be deducted from his or her taxable income (unless already deducted in determining taxable income) the aggregate of any amounts falling within any of the following sub-paragraphs—

(a) any remuneration for work done during any academic year of the student's course, provided that such remuneration does not include any sums paid in respect of any period for which he or she has leave of absence or is relieved of normal duties for the purpose of attending that course;

(b) the gross amount of any premium or other sum paid by the student in relation to a pension (not being a pension payable under a policy of life assurance) in respect of which relief is given under section 273, 619 or 639 of the Income and Corporation Taxes Act 1988⁽¹⁾ or under section 188 of the Finance Act 2004⁽²⁾, or where the student's income is computed for the purpose of the income tax legislation of another Member State, the gross amount of any such premium or sum in respect of which relief would be given if that legislation made provision equivalent to the Income Tax Acts.

(2) Where the student receives income in a currency other than sterling, the value of that income for the purpose of this paragraph is—

(a) if the student purchases sterling with the income, the amount of sterling the student so receives; or

(b) otherwise, the value of the sterling the income would purchase using the rate for the month in which it is received published by the Office for National Statistics⁽³⁾.

⁽¹⁾ 1988 c. 1.

⁽²⁾ 2004 c. 12.

⁽³⁾ "Financial Statistics" (ISSN 0015-203X).

Calculation of parent's residual income

4.—(1) For the purposes of determining the taxable income of a student's parent, any deductions which fall to be made or exemptions which are permitted—

- (a) by way of personal reliefs provided for in Chapter 1 of Part VII of the Income and Corporation Taxes Act 1988, or where the income is computed for the purposes of the income tax legislation of another EEA State or Switzerland, the gross amount of any such premium in respect of which relief would be given if that legislation made provision equivalent to the Income Tax Acts;
- (b) pursuant to any enactment or rule of law under which payments which would otherwise under United Kingdom law form part of a person's income are not treated as such; or
- (c) under sub-paragraph (2)

are not to be made or permitted.

(2) For the purpose of determining the residual income of a parent, there is to be deducted from the taxable income determined under sub-paragraph (1) the aggregate of any amounts falling within any of the following sub-paragraphs—

- (a) the gross amount of any premium or other sum paid by the student in relation to a pension (not being a pension payable under a policy of life assurance) in respect of which relief is given under section 273, 619 or 639 of the Income and Corporation Taxes Act 1988 or under section 188 of the Finance Act 2004, or where the student's income is computed for the purpose of the income tax legislation of another EEA State or Switzerland, the gross amount of any such premium or sum in respect of which relief would be given if that legislation made provision equivalent to the Income Tax Acts;
- (b) in any case where income is computed in accordance with sub-paragraph (6) any sums equivalent to the deduction mentioned in paragraph (a), provided that any sums so deducted are not to exceed the deductions which would be made if the whole of the student's parent's income were in fact income for the purposes of the Income Tax Acts; and
- (c) in the case of a parent student or a student's parent who holds a statutory award, £1,075.

(3) Where the Welsh Ministers are satisfied that the income of the parent in the financial year beginning immediately before the relevant year ("current financial year") is, as a result of some event beyond the parent's control, likely to be not more than 85 per cent, of the sterling value of his or her income in the preceding financial year the Welsh Ministers may, for the purpose of enabling the student to attend the course without hardship, ascertain the household income for the current financial year.

(4) Where the Welsh Ministers are satisfied that the income of the parent in any financial year is, as a result of some event beyond the parent's control, likely to be and to continue after that year to be not more than 85 per cent. of the sterling value of his or her income in the previous financial year the Welsh Ministers may, for the purpose of enabling the student to attend the course without hardship, ascertain the household income for the academic year of the student's course in which that event occurred by taking as the residual income of the parent the average of his or her residual income for each of the financial years in which that academic year falls.

(5) Where the student's parent satisfies the Welsh Ministers that his or her income is wholly or mainly derived from the profits of a business or profession carried on by him or her, then any reference in this Part of the Schedule to a preceding financial year is to be read as a reference to the earliest period of twelve months which ends after the start of the preceding financial year and in respect of which accounts are kept relating to that business or profession.

(6) Where a student's parent is in receipt of any income which does not form part of that parent's income for the purposes of the Income Tax Acts or the income tax legislation of another EEA State or Switzerland by reason only that—

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- (a) the parent is not resident, ordinarily resident or domiciled in the United Kingdom, or where his or her income is computed as for the purposes of the income tax legislation of another EEA State or Switzerland, not so resident, ordinarily resident or domiciled in that EEA State or Switzerland;
- (b) the income does not arise in the United Kingdom, or where the parent's income is computed for the purposes of the income tax legislation of another EEA State or Switzerland, does not arise in that EEA State or Switzerland; or
- (c) the income arises from an office, service or employment, income from which is exempt from tax in pursuance of any legislation,

his or her taxable income for the purpose of this Schedule is to be computed as though the income under this sub-paragraph were part of his or her income for the purpose of the Income Tax Acts or the income tax legislation of another EEA State or Switzerland, as the case may be.

(7) Where the income of the student's parent is computed as for the purposes of the income tax legislation of another EEA State or Switzerland, it is to be computed under the provisions of this Schedule in the currency of that EEA State or Switzerland and the income of the student's parent for the purposes of this Schedule is the sterling value of that income determined in accordance with the rate for the month in which the last day of the financial year in question falls, as published by the Office for National Statistics.

(8) Where one of the student's parents dies either before or during the relevant year and that parent's income has been or would be taken into account for the purpose of determining the household income then,—

- (a) where the parent dies before the relevant year, the household income is to be determined by reference to the income of the surviving parent; or
- (b) where the parent dies during the relevant year, the household income is to be taken to be the aggregate of—
 - (i) the appropriate proportion of the household income determined by reference to the income of both parents, being the proportion in respect of that part of the relevant year during which both parents were alive; and
 - (ii) the appropriate proportion of the household income determined by reference to the income of the surviving parent, being the proportion in respect of that part of the relevant year remaining after the death of the other parent.

(9) Where the Welsh Ministers determine that the parents were separated for the duration of the relevant year, the household income is to be determined by reference to the income of whichever parent the Welsh Ministers consider most appropriate under the circumstances.

(10) Where the Welsh Ministers determine that the parents separated in the course of the relevant year, the household income is determined by reference to the aggregate of—

- (a) the appropriate proportion of the household income determined in accordance with sub-paragraph (9), being the proportion in respect of that part of the relevant year for which the parents are separated; and
- (b) the appropriate proportion of the household income determined otherwise in respect of the remainder of the relevant year.

Calculation of the student's partner's residual income

5.—(1) Subject to sub-paragraphs (2), (3) and (4) of this paragraph and with the exception of sub-paragraphs (8), (9) and (10) of paragraph 4, a student's partner's income is to be determined in accordance with paragraph 4, reference to the parent being construed as references to the student's partner.

(2) Where the Welsh Ministers determine that the student and his or her partner were separated for the duration of the relevant year, the partner's income is not taken into account in determining the household income.

(3) Where the Welsh Ministers determine that the student and his or her partner separated in the course of the relevant year, the partner's income is determined by reference to his or her income under sub-paragraph (1) divided by fifty-two and multiplied by the number of complete weeks in the relevant year for which the Welsh Ministers determine that the student and his or her partner were not separated.

(4) Where a student has more than one partner in any one academic year, the provisions of this paragraph apply in relation to each.

Calculation of parent's partner's residual income

6. The income of a new student's parent's partner whose income is part of the household income by virtue of paragraph 2(2)(a) is to be determined in accordance with paragraph 5, references to the student's partner being construed as references to the new student's parent's partner, and references to the student being construed as references to the student's parent.

Calculation of contribution

7.—(1) A student's contribution is to be calculated in accordance with this regulation.

(2) In relation to a College of Europe student who is not an independent eligible student, a College of Europe student who is an independent eligible student who has a partner and a European University Institute student who has a partner, the contribution is—

- (a) where the household income is £23,680 or more, £45 with the addition of £1 for every complete £9.50 by which the household income exceeds £23,680; and
- (b) in any case where the household income is less than £23,680, nil.

(3) In relation to a College of Europe student who is an independent eligible student who does not have a partner and a European University Institute student who does not have a partner, the contribution is—

- (a) where the household income is £11,025 or more, £45 with the addition of £1 for every complete £9.50 by which the household income exceeds £11,025; and
- (b) where the household income is less than £11,025, nil.

(4) The amount of contribution is not to exceed £7,800 where the contribution is calculated under sub-paragraph (2) or (3).

(5) Where sub-paragraph (6) applies, the aggregate of the contributions calculated under sub-paragraph (2) or (3), is not to exceed—

- (i) £7,800; or
- (ii) the contribution which would be payable if only one student held an award.

(6) This sub-paragraph applies where the household income consists of the residual income of—

- (a) two or more College of Europe students in respect of the same income under paragraph 4 or, where the relevant parent's partner's residual income is taken into account, under paragraphs 4 and 6; or
- (b) an independent eligible student and his or her partner where both hold a statutory award.

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Split contributions

8.—(1) Where a contribution is payable under paragraph 7 above and one or more of the conditions in sub-paragraph (2) is satisfied, the amount of contribution payable in respect of the College of Europe student is to be the amount that the Welsh Ministers consider just taking into account—

- (a) the application of paragraph 7 to new College of Europe students and existing students respectively; and
- (b) the particular circumstances of the College of Europe student.

(2) The conditions referred to in sub-paragraph (1) above are—

- (a) more than one child of the College of Europe student's parents holds a statutory award;
- (b) the College of Europe student's parent holds a statutory award;
- (c) the College of Europe student's parent's partner holds a statutory award;
- (d) the College of Europe student's partner holds a statutory award.