

SCHEDULE 2

Regulation 28

COLLEGE OF EUROPE STUDENT'S CONTRIBUTION

PART 1

Interpretation

1.—(1) In this Schedule—

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

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

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

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

“partner” (“*partner*”) means:

(a) in relation to a student 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 the student’s spouse where the student is aged 25 or over on the relevant date;

(iv) a person ordinarily living with the student as the student’s civil partner where the student is aged 25 or over on the relevant date;

(b) in relation to the parent of a student any of the following other than another parent of the student—

(i) the spouse of the student’s parent;

(ii) the civil partner of the student’s parent;

(iii) a person ordinarily living with the parent of the student as the parent’s spouse;

(iv) a person ordinarily living with the parent of the student as the parent’s civil partner;

“prior financial year” (“*blwyddyn ariannol flaenorol*”) means the tax year immediately preceding the tax year which ended immediately before the relevant date;

“relevant tax year” (“*blwyddyn dreth berthnasol*”) means a tax year in respect of which a person’s income falls to be assessed for the purposes of these Regulations;

“residual income” (“*incwm gweddilliol*”) means:

(a) in respect of persons other than independent eligible students, taxable income in respect of the prior financial year;

(b) in respect of independent eligible students, taxable income in respect of the academic year in respect of which support is awarded,

after application of and subject to paragraph 3 in the case of a student, paragraph 4 in the case of a student’s parent and paragraph 5 in the case of a student’s partner;

“student” (“*myfyriwr*”) means a College of Europe student who is awarded support;

“tax year” (“*blwyddyn dreth*”) means a period of twelve months in respect of which the income of a person is computed for the purposes of the income tax legislation which applies to it;

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“taxable income” (“*incwm trethadwy*”) means a person’s taxable income from all sources computed as for the purposes of—

- (a) the Income Tax Acts⁽¹⁾;
 - (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 paid or 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 student—
- (a) who is aged 25 or over on the relevant date;
 - (b) who was married or in a civil partnership before the relevant date, whether or not the marriage or civil partnership is still subsisting;
 - (c) who has no parent living;
 - (d) in respect of whom the Welsh Ministers are satisfied that neither parent can be found or that it is not reasonably practicable to get in touch with either of them;
 - (e) who has not communicated with either parent for the period of one year before the relevant date or, in the opinion of the Welsh Ministers, can demonstrate on other grounds that the student is irreconcilably estranged from the student’s parents;
 - (f) who has been looked after by a local authority within the meaning of section 22 of the Children Act 1989⁽²⁾, throughout any three-month period ending on or after the date on which the student attained the age of 16 and before the relevant date (“the relevant period”) (provided that the student has not in fact at any time during the relevant period been under the charge or control of their parents);
 - (g) whose parents reside outside the European Union 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) whose parent which the Welsh Ministers considered the more appropriate for the purposes of that paragraph, has died (irrespective of whether the parent in question had a partner);
 - (i) who is a member of a religious order and resides in a house of that order;
 - (j) who as at the relevant date has the care of a person under the age of 18; or
 - (k) (“S” in this paragraph) who has supported S out of S’s earnings for any period or periods ending before the relevant date of in aggregate not less than three years, and for the purposes of this paragraph S is to be treated as supporting S out of S’s earnings during any period in which—

(1) “The Income Tax Acts” is defined in Schedule 1 to the Interpretation Act 1978 (c. 30) and means all enactments relating to income tax, including any provisions of the Corporation Tax Acts which relate to income tax.

(2) 1989 c. 41; section 22 has been amended by the Children (Leaving Care) Act 2000 (c. 35), section 2, Local Government Act 2000 (c. 22), Schedule 5, paragraph 19, the Adoption and Children Act 2002 (c. 38), section 116(2), the Children Act 2004 (c. 31), section 52 and the Children and Young Persons Act 2008 (c. 23), section 39 and Schedule 3.

- (i) S 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) S was in receipt of benefit payable by any relevant authority in respect of a person available for employment but unemployed;
 - (iii) S 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) S held a statutory award or other comparable award; or
 - (v) S received any pension, allowance or other benefit paid by any person by reason of a disability to which S is subject, or by reason of confinement, injury or sickness.
- (3) Any student who qualifies as an independent eligible student under sub-paragraph (2)(j) in respect of the designated course retains that status for the duration of the student’s eligibility.

PART 2

Calculation of contribution

Household income

- 2.—(1) The amount of a student’s contribution depends on the household income.
- (2) The household income is—
- (a) in the case of a student who is not an independent eligible student, the residual income of the student aggregated with the residual income of the student’s parents (subject to paragraph 4(9)) and 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 an independent eligible student who has a partner the residual income of the student aggregated with the residual income of that student’s partner; or
 - (c) in the case of an independent eligible 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 £1,130 is deducted—
- (a) for each child wholly or mainly financially dependent on the student or the student’s partner; or
 - (b) for each child other than the student wholly or mainly financially dependent on the student’s parent or the student’s parent’s partner whose residual income is being taken into account.

Calculation of the student’s residual income

- 3.—(1) For the purpose of determining the residual income of a student, there is deducted from the student’s taxable income (unless already deducted in determining taxable income) the aggregate of any amounts falling within any of the following paragraphs—
- (a) any remuneration for work done during any academic year of the student’s course, other than any sums paid in respect of any period for which the student has leave of absence or is relieved of the student’s normal duties for the purpose of attending that course;

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- (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 188 of the Finance Act 2004⁽³⁾, 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⁽⁴⁾.

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⁽⁵⁾, 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),

must not be made.

(2) For the purpose of determining the residual income of a student's 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 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⁽⁶⁾ of the Income and Corporation Taxes Act 1988 or under section 188 of the Finance Act 2004⁽⁷⁾, 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) of this sub-paragraph, 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 student's parent who holds a statutory award, £1,075.

(3) 2004 c. 12; section 188 was amended by the Finance Act 2007 (c. 11), sections 68, 69, 114 and Schedules 18 and 19.

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

(5) 1988 c. 1. Chapter 1 of Part VII has been amended by the Finance Act 2009 (c. 10) with effect for the tax year 2010-11.

(6) Section 273 is repealed by the Finance Act 2009, section 5 and Schedule 1, with effect for the tax year 2010-11 and subsequent tax years.

(7) 2004 c. 12; section 188 was amended by the Finance Act 2007 (c. 11), sections 68, 69, 114 and Schedules 18, 19 and 27.

(3) Where the Welsh Ministers are satisfied that the income of the parent in the tax year which ended immediately before the relevant date (“preceding tax 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 that person’s income in the prior 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 preceding tax year.

(4) Where the Welsh Ministers are satisfied that the income of the parent in any tax 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 that parent’s income in the previous tax 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 by taking as the residual income of the parent the average of that person’s residual income for each of the tax years in which that academic year falls.

(5) Where the student’s parent satisfies the Welsh Ministers that their income is wholly or mainly derived from the profits of a business or profession carried on by them, then any reference in this paragraph to a tax year is to be read as a reference to the earliest period of twelve months which ends after the start of the prior 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—

- (a) the parent is not resident, ordinarily resident or domiciled in the United Kingdom, or where the parent’s 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,

the parent’s taxable income for the purpose of this Schedule is to be computed as though the income under this sub-paragraph were part of that person’s 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 and that parent’s income has been or would be taken into account for the purpose of determining the household income, the household income is—

- (a) where the parent dies before the relevant tax year, determined by reference to the income of the surviving parent; or
- (b) where the parent dies during the relevant tax year, 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 tax year during which both parents were alive; and

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

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

Calculation of contribution

6.—(1) In relation to a student who is not an independent eligible student or who is an independent eligible student with 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, subject to sub-paragraph (4); and
- (b) where the household income is less than £23,680, nil.

(2) In relation to an independent eligible 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, subject to sub-paragraph (4); and
- (b) where the household income is less than £11,025, nil.

(3) The amount of contribution calculated under sub-paragraph (1) or (2) must not exceed £7,800.

(4) Where the household income consists of the residual income of an independent eligible student and that student's partner and both hold a statutory award, the aggregate of the contributions calculated under sub-paragraph (1) or (2), must not exceed—

- (i) £7,800; or

- (ii) the contribution which would be payable if only one student held an award.

Split contributions

7.—(1) Where a contribution is payable under paragraph 6 and one or more of the conditions in sub-paragraph (2) is satisfied, the amount of contribution payable in respect of the student is the amount that the Welsh Ministers consider just taking into account the particular circumstances of the student.

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

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