STATUTORY INSTRUMENTS

1980 No. 951

INCOME TAX

The Income Tax (Small Maintenance Payments) Order 1980

Made - - - -	8*th July* 1980
Laid before the House of Commons	18*th July* 1980
Coming into operation	1*st September* 1980

The Treasury, in exercise of the powers conferred upon them by section 65 of the Income and Corporation Taxes Act 1970(**a**), hereby make the following Order:—

1.—(1) This Order may be cited as the Income Tax (Small Maintenance Payments) Order 1980, and shall come into operation on 1st September 1980.

(2) In this Order, "section 65(1)" means subsection (1) of section 65 of the Income and Corporation Taxes Act 1970 (which specifies certain weekly or monthly payments under an order of a court in the United Kingdom, therein and herein called "small maintenance payments", which are to be payable without deduction of income tax).

2.—(1) The amount specified in paragraph (i)(A) of section 65(1) as that of the maximum weekly rate for small maintenance payments which are payable weekly shall, as respects

payments within paragraph (*a*) of that subsection (payments for maintenance of a party to a marriage or former marriage) be increased from £21 to £33, and

payments within paragraph (*b*) of that subsection (payments for the benefit, maintenance or education of a person under 21, other than those within paragraph (*a*)) be increased from £12 to £18.

(2) The amount specified in paragraph (i)(B) of section 65(1) as that of the maximum monthly rate for small maintenance payments which are payable monthly shall, as respects

payments within paragraph (*a*) of that subsection be increased from £91 to £143, and

payments within paragraph (*b*) of that subsection, be increased from £52 to £78.

(**a**) 1970 c.10.

3. This Order shall not affect payments falling due before 6th April 1981 under an order made before 1st September 1980.

Provided that, where an order so made is varied or revived at any time after 31st August 1980, this Order shall apply in relation to payments falling due under the order after that time.

David Waddington,

John MacGregor,

Two of the Lords Commissioners of Her Majesty's Treasury.

8th July 1980.

EXPLANATORY NOTE

(*This Note is not part of the Order*)

Section 65 of the Income and Corporation Taxes Act 1970 provides that income tax is not to be deducted at source from certain weekly or monthly payments (called "small maintenance payments") payable under the order of a Court in the United Kingdom for the maintenance of a party to a broken marriage or for the benefit, maintenance or education of a person under 21. As the law stands small maintenance payments for the maintenance of a party to a broken marriage must be payable weekly at a rate not exceeding £21 or monthly at a rate not exceeding £91 (S.I. 1977/662) and such payments for the benefit, maintenance or education of a person under 21 must be payable weekly at a rate not exceeding £12 or monthly at a rate not exceeding £52 (S.I. 1972/436). This Order increases the limits for payments for the maintenance of a party to a broken marriage to £33 and £143 respectively and the limits for payments for the benefit, maintenance or education of a person under 21 to £18 and £78 respectively. It applies to all payments under orders made after 31st August 1980, to payments under orders varied or revived after that date which fall due after the variation or revival, and otherwise to payments falling due after 5th April 1981 under orders in force at 31st August 1980.