
HOME PURCHASE (SPECIAL DEDUCTION) RULES 2004

This version is out of date

**Subsidiary
2004/005**

Regulations made under s. 37A.

**HOME PURCHASE (SPECIAL DEDUCTION)
RULES 2004**

(LN. 2004/005)

1.7.2003

ARRANGMENTS OF RULES

Rule

1. Title and commencement.
2. Application of Rules.
3. Special deduction.

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In exercise of the powers conferred on him by section 37A of the Income Tax Act and all other enabling powers the Governor has made the following Rules—

Title and commencement.

1.(1) These rules may be cited as the Home Purchase (Special Deduction) Rules 2004.

(2) These Rules shall be deemed to have come into effect on 1 July 2003.

Application of Rules.

2. These Rules shall apply to any individual entitled to a deduction under rule 2 of the Home Purchase (Deductions) Rules 1989 as amended from time to time.

Special deduction.

3.(1) Subject to sub-rule (2), an individual to whom these Rules apply shall be entitled to claim a deduction from the amount of his assessable income of £4000 and such claim shall not exceed £1000 in respect of any year of assessment.

(2) A deduction under this rule—

- (a) shall only be allowed in respect of any payment or payments made on or after 1 July 1988 towards the purchase or construction of the dwelling;
- (b) shall not be allowed more than once nor be granted in respect of more than one dwelling;
- (c) where an individual is married at the time he claims the deduction from the assessable income of his own, or of his spouse, or of both in the proportion of 50% each, that individual or his spouse shall not be allowed to make any further separate claim;
- (d) paragraph (c) of this sub-rule shall not apply to a spouse where that spouse can show to the satisfaction of the Commissioner that she was not married to the individual at the time he made his claim;

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- (e) where it is shown to the satisfaction of the Commissioner that two or more individuals are entitled to a deduction separately in respect of the same dwelling, the Commissioner shall only allow each such individual a reduced deduction, the amount of which shall be reckoned by reference to the individual's interest in that dwelling and such individual shall not be allowed to make any further separate claim;
- (f) shall not apply where an individual was not allowed in any one or more years of assessment prior to 1 July 2001 to claim a deduction or deductions amounting in aggregate to £10,000 from his assessable income, or that of his spouse, under rule 2 of the Home Purchase (Deductions) Rules 1989;
- (g) shall not apply where an individual is not allowed in any one or more years of assessment to claim a deduction or deductions amounting in aggregate to £11,500 from his assessable income, or that of this spouse, under rule 2 of the Home Purchase (Deductions) Rules 1989.