



STUDENT ALLOWANCES AMENDMENT REGULATIONS 1997

MICHAEL HARDIE BOYS, Governor-General

ORDER IN COUNCIL

At Wellington this 3rd day of March 1997

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to sections 303, 306, and 307 of the Education Act 1989, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, makes the following regulations.

REGULATIONS

1. Title and commencement—(1) These regulations may be cited as the Student Allowances Amendment Regulations 1997, and are part of the Student Allowances Regulations 1991* (“the principal regulations”).

(2) These regulations come into force on 1 April 1997.

2. Interpretation—(1) Regulation 2 (1) of the principal regulations is amended by revoking the definition of the term “taxable income” (as inserted by regulation 2 of the Student Allowances Regulations 1991, Amendment No. 3), and inserting in their appropriate alphabetical order the following definitions:

“‘Income before tax’ includes gains before tax and profits before tax:

“‘Relevant income’, in relation to any person in any income year,—

*S.R. 1991/295

Amendment No. 1: S.R. 1992/336

Amendment No. 2: S.R. 1995/309

Amendment No. 3: S.R. 1996/379

“(a) If the person is or was resident in New Zealand throughout the year, means the person’s taxable income for the year; and

“(b) If at any time during the year the person is or was not resident in New Zealand, means the sum of—

“(i) The person’s taxable income for the year; and

“(ii) Every foreign-sourced amount derived by the person in the year (each being an amount on which tax, whether a form of income-tax or some other form of tax, is or was payable in the state in which the amount was derived, the state in which the person was resident when the amount was derived, or both states) that does not form part of the person’s taxable income for the year.”

(2) Regulation 2 of the principal regulations is amended by adding the following subclause:

“(3) In the definition in subclause (1) of the term “relevant income”, the terms “income year”, “foreign-sourced amount”, “resident in New Zealand”, and “taxable income” have the meanings given to them by section OB 1 of the Income Tax Act 1994.”

3. Consequential amendment of certain references to income—

(1) Regulations 15 (d), 16 (1), and 16 (2) of the principal regulations are amended by omitting the words “taxable income” (as substituted by regulation 3 (1) of the Student Allowances Regulations 1991, Amendment No. 3), and substituting in each case the words “relevant income”.

(2) Regulation 17 of the principal regulations is amended by omitting the words “before-tax income” (as substituted by regulation 3 (2) of the Student Allowances Regulations 1991, Amendment No. 3), wherever they occur, and substituting in each case the words “income before tax”.

(3) Regulations 28 (1), 28 (2), 29 (1), and 29 (2) of the principal regulations are amended by omitting the words “before-tax income” (as substituted by regulation 3 (3) of the Student Allowances Regulations 1991, Amendment No. 3), wherever they occur, and substituting in each case the words “income before tax”.

4. Consequential revocation—The Student Allowances Regulations 1991, Amendment No. 3 are revoked.

MARIE SHROFF,
Clerk of the Executive Council.

EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 April 1997, replace the Student Allowances Regulations 1991, Amendment No. 3. Those regulations were intended only to amend the principal regulations so as to reflect certain verbal changes made by the Taxation (Core Provisions) Act 1996; but they had the unintended effect that from 1 April 1997 income earned outside New Zealand by a person not resident in New Zealand would not have been taken into account in determining the eligibility for student allowances of the person's children.

These regulations amend the principal regulations so as to make clear that such income is to be taken into account.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 6 March 1997.
These regulations are administered in the Ministry of Education.