



Government Circular No. 20/01

## HOUSE PURCHASE AND REFURBISHMENT (AMENDMENT) SCHEME 2001

*Approved by Tynwald*

15 May 2001

### 1. Citation and commencement

This Scheme may be cited as the House Purchase and Refurbishment (Amendment) Scheme 2001 and shall come into operation on the day on which it is approved by Tynwald.

### 2. Amendment of 1991 Scheme

In paragraph 5 of the House Purchase and Refurbishment Scheme 1991<sup>1</sup>, for sub-paragraphs (6), (6A) and (7) substitute-

“(6) Subject to sub-paragraph (6A), where the secondary loan, not being subject to a direction under sub-paragraph (5), falls to be repaid in whole or in part (otherwise than by instalments under sub-paragraph (2)) before it has been reduced to zero under sub-paragraph (4), the amount then repayable shall be -

- a) the outstanding amount of the secondary loan or the relevant part of the outstanding amount, as the case may be, (“the basic amount”),
- b) plus-
  - (i) such proportion of the basic amount as the Treasury certifies as the increase in average house prices in the Isle of Man between the initial date and the date of repayment, or
  - (ii) 52 per cent. of the basic amount,

whichever is the less.

(6A) Where the secondary loan falls to be repaid on the sale of the dwelling to an assisted person under the House Purchase Assistance Scheme 1999<sup>2</sup>, so much of the amount which would otherwise be repayable under sub-

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<sup>1</sup>GC21/91

<sup>2</sup>GC27/99

Price 30p

paragraph (6) as does not exceed the maximum assistance for which that person is eligible under paragraph 6 (3A) of that Scheme shall not be repaid under sub-paragraph (6), but shall instead be treated as assistance provided to that person under paragraph 5 of that Scheme.

(7) Where the secondary loan, being subject to a direction under sub-paragraph (5), falls to be repaid under that sub-paragraph, the amount then repayable shall be-

- a) the outstanding amount of the secondary loan,
- b) plus-
  - (i) such proportion of the outstanding amount as the Treasury certifies as the increase in average house prices in the Isle of Man between the initial date and the date of repayment, or
  - (ii) 52 per cent. of the outstanding amount,

whichever is the less.”

### 3. Revocation

Paragraph 3 of the House Purchase Assistance and Refurbishment (Amendment) Scheme 2000<sup>3</sup> shall cease to have effect.

MADE *24th April* 2001



Minister for the Treasury

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### EXPLANATORY NOTE

*(This note is not part of the Scheme.)*

Paragraph 5 of the House Purchase and Refurbishment Scheme 1991 provides that the interest-free element of a loan under that Scheme is linked to the index of house prices. This Scheme places a ceiling of 52% of the outstanding balance of that element in calculating the index-linking. It also revises the wording of a previous amendment of that Scheme.

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<sup>3</sup> GC28/00