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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 March 1988

Dear Roger,

THE COMMUNITY CHARGE: MEMBERS OF RELIGIOUS ORDERS

The Prime Minister was grateful for your Secretary of State's minute of 7 March, setting out his detailed proposals for the exemption for members of religious orders from the community charge.

The Prime Minister is doubtful about one aspect of your Secretary of State's proposals, namely the exemption from the charge for monks and nuns who covenant their income to their religious order. She has noted that, although legal advice is that income which is covenanted is the property of the covenantee from the outset, it is for the covenantor in the first instance to decide to make that arrangement. The Prime Minister also wonders whether accepting the principle that someone who covenants should be exempted might have wider undesirable repercussions; for example if a person covenanted their whole income to a child, a third person or a charity could they then be eligible for social security benefit?

The Prime Minister would therefore be grateful if your Secretary of State could give further consideration to this aspect of the proposals.

I am copying this letter to the Private Secretaries to members of E(LF) and to Trevor Woolley (Cabinet Office).

Yours,

Paul.

(PAUL GRAY)

Roger Bright, Esq.,
Department of the Environment.

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