

PRIME MINISTER

COMMUNITY CHARGE BENEFIT

John Moore has now, as promised, sent you a note describing the arrangements for benefit payments towards the Community Charge (attached at Flag A). It brings out that, on a GB basis, there will be about 11 million people receiving rebates.

John Mills (Flag B) has provided a comment on this. He points to the case for keeping in mind a possible further concession on the benefit arrangements - namely doubling for pensioner couples the capital limit from £8,000 to £16,000. There clearly is a case for such a concession for the reasons John sets out, although personally I am not sure it is that strong.

The immediate issue is, however, whether you want to ask DSS to do any work on this idea now or just to bear it in mind as a possibility for the future.

Which would you prefer?

Do some more work -

Rec.

PG

21 July, 1989.

*especially as How are
being taxed separately in 1989?*