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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

24 July 1989

COMMUNITY CHARGE BENEFIT

The Prime Minister was grateful for your Secretary of State's minute of 21 July setting out the ways in which poor people would be helped to pay the Community Charge.

I should be grateful if you and copy recipients would ensure this letter is given a strictly limited circulation to named individuals.

The Prime Minister would be grateful if some work could be done on the possibility of setting the capital limit on eligibility for community charge rebates at £16,000, i.e. double the normal £8,000 limit, just for pensioner couples. She would be grateful if consideration could be given to the costs and implications of such a change, including the impact of the introduction of independent taxation for husband and wife in April 1990.

I am copying this letter only to Carys Evans (Chief Secretary's Office) Roger Bright (Department of the Environment) and Trevor Woolley (Cabinet Office).

(PAUL GRAY)

Stuart Lord, Esq., Department of Social Security.

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