STATUTORY INSTRUMENTS

2015 No. 577

SOCIAL SECURITY

The Social Security (Contributions) (Limits and Thresholds) (Amendment) Regulations 2015

Made - - - -	*4th March 2015*
Coming into force - -	*6th April 2015*

These Regulations are made by the Treasury in exercise of the powers conferred by sections 5(1) and (4) to (6), 9A(7) and (8) and 175(3) of the Social Security Contributions and Benefits Act 1992 ("the Contributions Act")(**1**) and sections 5(1) and (4) to (6), 9A(7) and (8) and 171(3) and (10) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 ("the Northern Ireland Contributions Act")(**2**).

A draft of this instrument was laid before Parliament in accordance with section 176(1)(za), (zb) and (a) of the Contributions Act(**3**) and section 172(11ZA), (11ZB) and (11A) of the Northern Ireland Contributions Act(**4**) and approved by a resolution of each House of Parliament.

Citation and commencement

1. These regulations may be cited as the Social Security (Contributions) (Limits and Thresholds) (Amendment) Regulations 2015 and come into force on 6th April 2015.

(**1**) 1992 c. 4; section 5 was substituted by paragraph 1 of Part 1 of Schedule 9 to the Welfare Reform and Pensions Act 1999 (c. 30) ("the WRPA 1999") and section 5(1) was amended by section 1(1)(a) of, and Schedule 2 to, the National Insurance Contributions Act 2008 (c. 16) ("the Contributions Act 2008"). Section 9A was inserted by section 9(3) of the National Insurance Contributions Act 2014 (c. 7) ("the Contributions Act 2014").

(**2**) 1992 c. 7; section 5 was substituted by paragraph 1 of Part 1 of Schedule 10 to the WRPA 1999 and section 5(1) was amended by section 2(1)(a) of, and Schedule 2 to, the Contributions Act 2008. Section 9A was inserted by section 9(8) of the Contributions Act 2014. Section 171(10) was substituted by paragraph 28(3) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671) ("the Transfer Order").

(**3**) Section 176(1)(za) was inserted by section 7(5) of the Pensions Act 2007 (c. 22) ("the PA 2007"). Section 176(1)(za) refers to the designated tax year or any subsequent tax year. S.I. 2010/2650 provides that the designated tax year is the tax year 2010-11. Section 176(1)(zb) was inserted by section 1(2) of the Contributions Act 2008. Section 176(1)(a) was amended by section 9(5) of the Contributions Act 2014.

(**4**) Section 172(11ZA) was inserted by section 8(5) of the PA 2007. The designated tax year for these purposes is the tax year 2010-11 – see footnote (c) above. Section 172(11ZB) was inserted by section 2(2) of the Contributions Act 2008. Section 172(11A) was inserted by paragraph 29(5) of Schedule 3 to the Transfer Order and amended by section 9(10) of the Contributions Act 2014.

Amendments to the Social Security (Contributions) Regulations 2001

2. The Social Security (Contributions) Regulations 2001(**5**) are amended as follows.

3. In Regulation 10 (earnings limits and thresholds)—

(a) for "section 5(1)" substitute "sections 5(1) and 9A";

(b) for "2014" substitute "2015";

(c) in paragraph (a) (lower earnings limit: primary Class 1 contributions) for "£111" substitute "£112";

(d) in paragraph (b) (upper earnings limit: primary Class 1 contributions) for "£805" substitute "£815";

(e) in paragraph (c) (primary threshold: primary Class 1 contributions) for "£153" substitute "£155";

(f) after paragraph (c) omit "and";

(g) in paragraph (d) (secondary threshold: secondary Class 1 contributions) for "£153" substitute "£156"; and

(h) after paragraph (d) insert—

"; and

(e) the upper secondary threshold for secondary Class 1 contributions in relation to the Under 21 group (for the upper limit of the age-related secondary percentage) shall be £815".

4. In Regulation 11 (prescribed equivalents)—

(a) in paragraph (2A)—

(i) in sub-paragraph (a) for "£3,489" substitute "£3,532"; and

(ii) in sub-paragraph (b) for "£41,865" substitute "£42,385";

(b) in paragraph (3)—

(i) in sub-paragraph (a) for "£663" substitute "£672"; and

(ii) in sub-paragraph (b) for "£7,956" substitute "£8,060";

(c) in paragraph (3A)—

(i) in sub-paragraph (a) for "£663" substitute "£676"; and

(ii) in sub-paragraph (b) for "£7,956" substitute "£8,112";

(d) after paragraph (3A) insert—

"(3B) Subject to paragraphs (4) and (5), the prescribed equivalents of the upper secondary threshold for secondary Class 1 contributions in relation to the Under 21 age group shall be—

(a) where the earnings period is a month, £3,532;

(b) where the earnings period is a year, £42,385;

(c) where the earnings period is a multiple of a week, the amount calculated by dividing the figure in sub-paragraph (b) by 52 and multiplying the result by the corresponding multiple;

(d) where the earnings period is a multiple of a month, the amount calculated by dividing the figure in sub-paragraph (b) by 12 and multiplying the result by the corresponding multiple;

(**5**) S.I. 2001/1004; relevant amending instruments are S.I. 2009/111, 2011/940 and 2014/569.