STATUTORY INSTRUMENTS

2015 No. 478

SOCIAL SECURITY

The Social Security (Miscellaneous Amendments No. 2) Regulations 2015

Made - - - -	*3rd March 2015*
Laid before Parliament	*4th March 2015*
Coming into force in accordance with regulation 1	

These Regulations are made by the Treasury and the Commissioners for Her Majesty's Revenue and Customs with the concurrence of the Secretary of State in relation to regulations 14, 17, 21 and 25 and the Department for Social Development(**1**) in relation to regulations 14, 17, 21 and 26.

The powers exercised by the Treasury are those conferred by sections 1(6) and (7), 2(2)(b) and (2A), 3(2) and (3), 12(6), 13(1) and (7), 19(3) and (5A), 119 and 175(3) and (4) of, and paragraphs 7B, 7BB, and 8(1)(q) and (1A) of Schedule 1 to, the Social Security Contributions and Benefits Act 1992(**2**), sections 1(6) and (7), 2(2)(b) and (2A), 3(2) and (3), 12(6), 13(1) and (7), 19(3) and (5A), 119 and 171(3) and (4) of, and paragraphs 7B, 7BB and 8(1)(q) and (1A) of Schedule 1 to, the Social Security Contributions and Benefits (Northern Ireland) Act 1992(**3**),

(**1**) The functions of the Department of Health and Social Services for Northern Ireland under the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7) were transferred to the Department for Social Development by Article 8(b) of, and Part 2 of Schedule 6 to the Departments (Transfer and Assignment of Functions) Order (Northern Ireland) 1999 (S.R. (NI) 1999 No. 481).

(**2**) 1992 c. 4. Section 1(6) was amended by paragraph 56 of Schedule 7 to the Social Security Act 1998 (c. 14) ("the SSA 1998"); section 1(7) was inserted by paragraph 1 of Schedule 3 to the Social Security Contributions (Transfer of Functions etc) Act 1999 (c. 2) ("the Transfer Act"); section 2(2A) was inserted by paragraph 2 of Schedule 3 to the Transfer Act and substituted by paragraph 2 of Schedule 11 to the Welfare Reform and Pensions Act 1999 (c. 30); section 3 was amended, and the power to make regulations under it transferred to the Treasury with the concurrence of the Secretary of State, by paragraph 3 of Schedule 3 to the Transfer Act; section 12(6) was amended by paragraph 13 of Schedule 3 to the Transfer Act; section 13 was amended by paragraph 14 of Schedule 3 to the Transfer Act. The amount in section 13(1) was last substituted by S.I. 2014/475; section 19(3) was amended by paragraphs 1 and 5 of Schedule 1 to the National Insurance Contributions Act 2002 (c. 19) ("the NICs Act 2002"); section 19(5A) was inserted by paragraph 19 of Schedule 3 to the Transfer Act; section 119 was amended by paragraph 25 of Schedule 3 and paragraph 7 of Schedule 7 to the Transfer Act and paragraph 69 of Schedule 7 to the SSA 1998; section 175(4) was amended by paragraph 29 of Schedule 3 to the Transfer Act; paragraph 7B of Schedule 1 was inserted by section 57 of the SSA and amended by paragraph 38 of Schedule 3, paragraph 7 of Schedule 9 and Part 1 of Schedule 10 to the Transfer Act, section 76 of the Child Support, Pensions and Social Security Act 2000 (c. 19) and paragraph 185 of Schedule 6 to the Income Tax (Pensions and Earnings) Act 2003 (c. 1) ("ITEPA"); paragraph 7BB of Schedule 1 was inserted by paragraphs 1 and 9 of Schedule 1 to the National Insurance Contributions Act 2015 (c. 5) ("the NICs Act 2015"); paragraph 8 of Schedule 1 provides for regulations to be made by the appropriate authority; paragraph 8(1A) of Schedule 1 (which was inserted by paragraph 39 of Schedule 3 to the Transfer Act) provides that the "appropriate authority" means the Treasury.

(**3**) 1992 c. 7. Section 1(6)(a) and (c) were amended by paragraph 38(3) of Schedule 6 to the Social Security (Northern Ireland) Order 1998 (S.I. 1998/1506 (NI 10)) ("the 1998 Order"); section 1(7) was amended by paragraph 2 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671) ("the Transfer Order"); section 2(2A) was inserted by paragraph 3 of Schedule 3 to the Transfer Order and substituted by paragraph 10 of Schedule 11 to the Welfare Reform and Pensions Act 1999; section 12(6) was amended by paragraph 14 of Schedule 3 to the Transfer Order; section 13(1) was amended by paragraph 15(2) of Schedule 3 to the Transfer Order and by S.I. 2014/475; section 13(7) was amended by paragraph 15(4) of Schedule 3 to the Transfer Order;; section 19(3) was amended by paragraph 24 of

and section 3 of the National Insurance Contributions Act 2015(**4**) and now exercisable by them.

The powers exercised by the Commissioners for Her Majesty's Revenue and Customs are those conferred by sections 17 and 175(4) of and paragraph 6 of Schedule 1 to, the Social Security Contributions and Benefits Act 1992(**5**) and sections 17 and 171(4) of, and paragraph 6 of Schedule 1 to, the Social Security Contributions and Benefits (Northern Ireland) Act 1992(**6**) and now exercisable by them(**7**).

Citation, commencement and effect

1.—(1) These Regulations may be cited as the Social Security (Miscellaneous Amendments No. 2) Regulations 2015.

(2) Regulation 21(2) (amendment to paragraph 10A of Part 6 of Schedule 3 to the Social Security (Contributions) Regulations 2001(**8**)), comes into force on 1st April 2015.

(3) Regulation 22(5) (substitution of paragraph 23 of Schedule 4) has effect in relation to returns made by employers for the tax year 2014-15 and subsequent tax years.

(4) Subject to paragraph (2) of this regulation, these regulations come into force on 6th April 2015.

PART 1

Amendment of the Social Security (Contributions) Regulations 2001

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

3.—(1) Amend regulation 1(2) (definitions) as follows.

(2) For the definition of "due date" substitute—

""due date" in Part 6 means, in relation to—

(a) any Class 1 contribution, the date by which payment falls to be made;

Schedule 1 to the NICs Act 2002; section 19(5A) was inserted by S.I. 1999/671 and S.R. 1999/149; section 119 was amended by S.I. 1999/671, S.R. 1999/149, S.I. 1998/1506 (N.I. 10), S.R. 1999/310, S.R. 1999/371 and S.R. 1999/428; paragraph 7B of Schedule 1 was inserted by article 54 of the 1998 Order and amended by paragraph 37 of Schedule 3, paragraph 5 of Schedule 8 and Schedule 9 to the Transfer Order, section 80 of the Child Support, Pensions and Social Security Act 2000 and paragraph 204 of Schedule 6 to ITEPA; paragraph 7BB of Schedule 1 was inserted by paragraph 18(3) of Schedule 1 to the NICs Act 2015; paragraph 8(1A) of Schedule 1 was inserted by paragraph 38(3) of Schedule 3 to the Transfer Order, the paragraph provides for regulations to be made by the appropriate authority, sub-paragraph (1A) provides that the "appropriate authority" means the Treasury.

(**4**) 2015 c.5.

(**5**) Section 17 was amended by paragraph 17 of Schedule 3 to the Transfer Act and paragraph 4 of Schedule 1 to the NICs Act 2002; paragraph 6(1) was substituted by paragraph 77(8) of Schedule 7 to the SSA and subsequently amended by paragraph 35(2) of Schedule 3 to the Transfer Act and paragraph 185 of Schedule 6 to ITEPA.

(**6**) Section 17 was amended by S.I. 1999/671 and S.R. 1999/149 and paragraph 23 of Schedule 1 and Schedule 2 to the NICs Act 2002; paragraph 6(1) was substituted by paragraph 58(8) of Schedule 6 to the Social Security (Northern Ireland) Order 1998 (S.I. 1998/1506 (N.I. 10)) and subsequently amended by paragraph 34(2) of Schedule 3 to the Transfer Order and paragraph 204 of Schedule 6 to ITEPA.

(**7**) Section 17 provides for regulations to be made by the Inland Revenue (defined by section 122 as meaning the Commissioners of Inland Revenue). The functions of the Commissioners of Inland Revenue were transferred to the Commissioners for Her Majesty's Revenue and Customs by section 5(1) of the Commissioners for Revenue and Customs Act 2005 (c. 11). Section 50(1) of that Act provides that a reference to the Commissioners of Inland Revenue (however expressed) shall be taken as a reference to the Commissioners for Her Majesty's Revenue and Customs.

(**8**) S.I 2001/1004, amended by S.I. 2002/2924, 2002/2929, 2003/193, 2004/770, 2004/2096, 2007/1056, 2007/1838, 2007/2520, 2008/607, 2008/636, 2008/2683, 2008/3099, 2009/600, 2011/797, 2012/821, 2013/622, 2013/718, 2014/606, 2014/608 and 2014/2397. There are other amending instruments but none are relevant.

(b) any Class 2 contribution which a person is liable or entitled to pay, the 31st January following the end of the tax year in respect of which it is paid or payable; and

(c) any Class 3 contribution, the date 42 days after the end of the year in respect of which it is paid.".

(3) After the definition of "earnings-related contributions" insert—

"employment and support allowance" has the same meaning as in the Welfare Reform Act 2007(**9**);".

4.—(1) Amend regulation 43 (exception from liability for Class 2 contributions)(**10**) as follows.

(2) In the heading omit "liability for".

(3) In paragraph (1), after sub-paragraph (a) insert—

"(ab) in respect of the whole of which the earner is in receipt of employment and support allowance;".

(4) In paragraphs (1) and (3) for "liability to pay" substitute "paying".

5.—(1) Amend regulation 61B (voluntary Class 2 contributions: tax years 2006-07 to 2015-16: unavailability of pension statements 2013-14 to 2016-17)(**11**) as follows.

(2) In paragraph (2) omit "under regulation 46 or 147(1)(a)".

(3) In paragraph (7)—

(a) for "regulations" substitute "regulation"; and

(b) omit "and 61A".

6. In regulation 63A(4) (collection of unpaid Class 2 contributions through PAYE code)(**12**), after the words "in the period beginning with the", omit "contribution".

7. In regulation 67(1) (collection and recovery of earnings-related contributions, and Class 1B contributions)(**13**)—

(a) for "the general earnings from an office or employment" substitute "PAYE income"; and

(b) after paragraph (1) insert—

"(1A) PAYE income has the meaning given in section 683 of ITEPA 2003."(**14**).

8. In regulation 72 (Class 1A contribution due on succession to business)(**15**)—

(a) in paragraph 1(a) omit "general"; and

(b) in paragraph (4)—

(i) omit the definition of "general earnings"; and

(ii) omit "general" in the definition of "relevant tax month".

9. In regulation 73 (Class 1A contribution due on cessation of business)(**16**)—

(a) in paragraph (1)(a) omit "general"; and

(**9**) 2007 c.5.
(**10**) Regulation 43 was amended by S.I. 2002/2924.
(**11**) Regulation 61B was inserted by S.I 2013/622 and amended by S.I. 2013/718.
(**12**) Regulation 63A was inserted by S.I. 2013/622.
(**13**) Regulation 67 was amended by S.I. 2004/770, 2008/636 and 2012/821.
(**14**) Section 122 of the Social Security Contributions and Benefits Act 1992, as amended by paragraphs 169 and 178 of Schedule 6 to ITEPA 2003 and section 121 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, as amended by paragraphs 190 and 199 of Schedule 6 to ITEPA 2003; defines "ITEPA 2003" as meaning the Income Tax (Earnings and Pensions) Act 2003.
(**15**) Regulation 72 was amended by S.I. 2004/770.
(**16**) Regulation 73 was amended by S.I. 2004/770.

(b) in paragraph 4—

(i) omit the definition of "general earnings"; and

(ii) omit "general" in the definition of "relevant final tax month".

10. In regulation 87A(2) (notification of commencement or cessation of payment of Class 2 or Class 3 contributions on or after 6th April 2009)(**17**) after "6th April 2009" insert "but before 6th April 2015" and amend the heading of the regulation accordingly.

11. After regulation 87A insert —

"**Notification of commencement or cessation of self-employment or Class 3 contributions on or after 6th April 2015**

87AA.—(1) A person (P) to whom paragraph (2) applies shall immediately notify the relevant date to HMRC in writing or by such means of electronic communication as may be approved.

(2) This paragraph applies where P on or after 6th April 2015—

(a) commences or ceases to be a self-employed earner; or

(b) is entitled to pay a Class 3 contribution and either wishes to do so or cease doing so.

(3) In paragraph (1) "the relevant date" means—

(a) in relation to a person to whom paragraph (2)(a) applies, the date on which P commences or ceases to be a self-employed earner;

(b) in relation to a person to whom paragraph (2)(b) applies, the date on which P wishes to commence or cease paying Class 3 contributions.

(4) P is to be treated as having immediately notified HMRC in accordance with paragraph (1) if P has notified HMRC within such further time, if any, as HMRC may allow.".

12.—(1) Amend regulation 89 (method of, and time for, payment of Class 2 and Class 3 contributions etc)(**18**) as follows.

(2) In paragraph (1)—

(a) after the first mention of "accordance with" insert "the Taxes Management Act 1970 (as modified by section 11A of the Act) or in accordance with,";

(b) after "regulation 90" insert "or in accordance with regulation 90ZA or 148C"(**19**); and

(c) after "paragraph" omit "(2),".

(3) Omit paragraphs (1A) and (2).

(4) In paragraph (2A)(a)(**20**)—

(a) after "regulation 87" for "or" substitute ","; and

(b) after "87A" insert "or 87AA".

(5) In paragraph (3) for "or 87A" substitute ", 87A or 87AA".

(6) In paragraph (4)—

(a) in sub-paragraph (a) omit "or (6)";

(**17**) Regulation 87A was inserted by S.I. 2009/600.
(**18**) Regulation 89 was amended by S.I. 2011/797.
(**19**) Regulations 90ZA and 148C are inserted by these Regulations.
(**20**) Paragraph (2A) was inserted by S.I. 2011/797.

(b) in sub-paragraph (b) omit—

(i) "person's liability for Class 2 contributions or"; and

(ii) "the number of contribution weeks in respect of which the liability arises together with the weekly rate, and of the date specified as the date of notification, or, where he is entitled to pay contributions, of"; and

(c) at the end of the paragraph omit the words from "shall, if he is liable to pay" to "if he is entitled to pay a contribution, he".

(7) In paragraph (5)—

(a) in sub-paragraph (a)—

(i) for "or 87A" insert ", 87A or 87AA";

(ii) omit paragraph (i);

(iii) in paragraph (ii) for "biannual contribution period" substitute "tax year"; and

(b) in sub-paragraph (b)(iii)—

(i) for "or 87A" substitute ", 87A or 87AA";

(ii) omit "ceased to be liable to pay Class 2 contributions or"; and

(iii) omit "as the case may be".

(8) Omit paragraph (6).

(9) In paragraph (7)—

(a) omit sub-paragraphs (a), (b) and (c); and

(b) for sub-paragraph (e) substitute—

"(e) "notification date" means 31st October following the end of the tax year.".

13. After regulation 89 insert—

"**Class 2 contributions for tax years up to 2014-15**

89A.—(1) This regulation applies where a person (P) is liable to pay a Class 2 contribution in respect of any contribution week in a tax year up to and including the 2014-15 tax year.

(2) An officer of HMRC may issue P with written notice of the amount of Class 2 contributions for which P is liable in respect of any tax year up to and including the 2014-15 tax year.

(3) P shall pay the amount of contributions for which he is liable no later than the date specified in the notice. This paragraph is subject to paragraphs (4) and (5).

(4) Where P—

(a) is liable to pay a Class 2 contribution in respect of any contribution week falling within the period defined in paragraph (5) ("the specified contribution period"); and

(b) has notified HMRC of such liability in accordance with the provisions of regulation 87 or 87A,

HMRC shall issue P with written notice of the amount of Class 2 contributions for which P is liable to pay in respect of the specified contribution period no later than 1st June 2015 and P shall pay the amount set out in that notice to HMRC no later than 31st July 2015.