STATUTORY RULES OF NORTHERN IRELAND

2016 No. 189

SOCIAL SECURITY

The Social Security (Reciprocal Agreement) (Isle of Man) Order (Northern Ireland) 2016

Made - - - -	*22nd March 2016*
Coming into operation	*6th April 2016*

Section 155(1)(a), (2), (3), (4) and (5) of the Social Security Administration (Northern Ireland) Act 1992 [F1] provides that for the purpose of giving effect to any agreement with the government of a country outside the United Kingdom providing for reciprocity in matters relating to payments for purposes similar or comparable to the purposes of legislation to which that section applies, the Secretary of State may by Order make provision for modifying or adapting the Social Security Administration (Northern Ireland) Act 1992, the Social Security Contributions and Benefits (Northern Ireland) Act 1992 [F2] and Part 1 of the Pensions Act (Northern Ireland) 2015 [F3], and any regulations made under those Acts or that Part, in their application to cases affected by the agreement.

Accordingly, the Secretary of State for Work and Pensions makes the following Order in exercise of the powers conferred by section 155(1)(a), (2), (3) and (5) and section 165(4), (5) and (6) of the Social Security Administration (Northern Ireland) Act 1992 [F4].

F1 1992 c.8. Section 155 was amended by paragraph 21 of Schedule 12 to the Pensions Act (Northern Ireland) 2015 (c.5). Other amendments to section 155 are not relevant to this Order.
F2 1992 c.7.
F3 2015 c.5 (N.I.).
F4 Sub-section (6) of section 165 was amended by S.I. 1998/1506 (N.I. 10).

Citation and commencement

1. This Order may be cited as the Social Security (Reciprocal Agreement) (Isle of Man) Order (Northern Ireland) 2016 and shall come into operation on 6th April 2016.

Modification of legislation

2. The Social Security Administration (Northern Ireland) Act 1992, the Social Security Contributions and Benefits (Northern Ireland) Act 1992, Part 1 of the Pensions Act (Northern Ireland) 2015 and regulations made under those Acts or that Part, shall be modified to such extent as may be required to give effect to the provisions contained in the Agreement relating to pensions set out in the Schedule to this Order, so far as those provisions relate to Northern Ireland.

Revocation

3. The National Insurance (Isle of Man Reciprocal Agreement) Order (Northern Ireland) 1949 [F5] is revoked.

F5 S.R. 1949 No. 83.

Signed by authority of the Secretary of State for Work and Pensions

Altmann
Department for Work and Pensions — Minister of State,

SCHEDULE Article 2

AGREEMENT RELATING TO STATE PENSION AND RETIREMENT PENSION BETWEEN THE SECRETARY OF STATE FOR WORK AND PENSIONS AND THE DEPARTMENT FOR [F6COMMUNITIES] IN NORTHERN IRELAND OF THE ONE PART, AND THE MINISTER FOR THE TREASURY OF THE ISLE OF MAN OF THE OTHER PART

F6 Word in Sch. heading substituted (6.4.2019) by The Social Security (Reciprocal Agreement) (Isle of Man) (Amendment) Order (Northern Ireland) 2018 (S.R. 2018/212), art. 1, **Sch. para. 2**

Interpretation

1.—(1) In this Agreement—

"the 1977 Agreement" means the agreement contained in Schedule 1 to the Social Security (Isle of Man) Order (Northern Ireland) 1977 [F7];

"the Isle of Man Contributions and Benefits Act" means the Social Security Contributions and Benefits Act 1992 (of Parliament) as it applies in the Isle of Man from time to time by virtue of the Social Security Contributions and Benefits Act 1992 (Application) Order 1994 (S.D. 505/94);

[F8"the Isle of Man Pensions Act" means Part 1 of the Pensions Act 2014 as it applies in the Isle of Man from time to time by virtue of the Pensions Act 2014 (Application) Order 2018 (S.D. 2018/0076);]

"Party" means the United Kingdom or the Isle of Man;

"the Pensions Acts" means in relation to the United Kingdom, Part 1 (state pension) of the Pensions Act 2014 [F9] and Part 1 (state pension) of the Pensions Act (Northern Ireland) 2015;

"territory" means in relation to the United Kingdom, England, Scotland, Wales and Northern Ireland, and in relation to the Isle of Man, the Isle of Man.

(2) Unless the context otherwise requires, in the application of this Agreement to a territory, expressions in this Agreement shall have the same meaning as in the United Kingdom or Isle of Man Acts referred to in this Agreement.

(3) The rules for the construction of Acts of Parliament and instruments contained in the Interpretation Act 1978 [F10] shall apply for the purposes of the interpretation of this Agreement as they apply for the purposes of the interpretation of an Act of Parliament or instrument.

F7 S.R. 1977 No. 378. This S.R. was amended by S.R.s 1989 Nos. 137 and 427 and modified by S.R. 1988 No. 120 and S.R. 1996 No. 327.
F8 Words in Sch. art. 1(1) inserted (6.4.2019) by The Social Security (Reciprocal Agreement) (Isle of Man) (Amendment) Order (Northern Ireland) 2018 (S.R. 2018/212), art. 1, **Sch. para. 3**
F9 2014 c.19.
F10 1978 c.30.

Application of Agreement

2. This Agreement shall apply to a person for the purposes of claims for and determining entitlement to a state pension under the Pensions Acts [F11or the Isle of Man Pensions Act] .

F11 Words in Sch. art. 2 inserted (6.4.2019) by The Social Security (Reciprocal Agreement) (Isle of Man) (Amendment) Order (Northern Ireland) 2018 (S.R. 2018/212), art. 1, **Sch. para. 4**

3. The 1977 Agreement shall not apply and this Agreement shall apply to a person for the purposes of claims for and determining entitlement to a retirement pension under the Isle of Man Contributions and Benefits Act of a person who reaches pensionable age on or after 6th April 2016 **[**[F12]but before 6th April 2019**]** .

F12 Words in Sch. art. 3 inserted (6.4.2019) by The Social Security (Reciprocal Agreement) (Isle of Man) (Amendment) Order (Northern Ireland) 2018 (S.R. 2018/212), art. 1, **Sch. para. 5**

4. The 1977 Agreement shall not apply and this Agreement shall apply to a person who reaches pensionable age before 6th April 2016 and whose spouse or civil partner reaches pensionable age on or after that date **[**[F13]but before 6th April 2019**]** , for the purposes of claims for and determining entitlement to—

(a) a Category A retirement pension by virtue of section 48 (use of former spouse's contributions) of the Social Security Contributions and Benefits Act 1992 or section 48 [F14] (use of former spouse's contributions) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992;

(b) a Category B retirement pension under Part 2 (contributory benefits) of the Social Security Contributions and Benefits Act 1992 or Part 2 (contributory benefits) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992;

(c) a Category A retirement pension by virtue of section 48 of the Isle of Man Contributions and Benefits Act;

(d) a Category B retirement pension under Part 2 of the Isle of Man Contributions and Benefits Act.

F13 Words in Sch. art. 4 inserted (6.4.2019) by The Social Security (Reciprocal Agreement) (Isle of Man) (Amendment) Order (Northern Ireland) 2018 (S.R. 2018/212), art. 1, **Sch. para. 6**

F14 Section 48 was amended by paragraph 78 of Schedule 24 to the Civil Partnership Act 2004 (c.33).

[[F15]4A. The 1977 Agreement shall not apply and this Agreement shall apply to a person who reaches pensionable age on or after 6th April 2019 for the purposes of claims for and determining entitlement to a Manx state pension under the Isle of Man Pensions Act.**]**

F15 Sch. art. 4A inserted (6.4.2019) by The Social Security (Reciprocal Agreement) (Isle of Man) (Amendment) Order (Northern Ireland) 2018 (S.R. 2018/212), art. 1, **Sch. para. 7**

[[F16]Minimum number of qualifying years and rate of pension payable]**

5. Subject to Articles 7 and 8, in the case of a person to whom Article 2 applies—

(a) for the purpose of determining only whether a person has at least the minimum number of qualifying years for a state pension to be payable under section 2 or 4 of the Pensions Acts, any tax year for which a person's earnings factor is sufficient to satisfy paragraph 5A(2)(b) of Schedule 3 to the Isle of Man Contributions and Benefits Act [F17] shall be taken into account in the United Kingdom; and

(b) the rate at which state pension is payable to a person under section 2 or 4 of the Pensions Acts is to be determined by reference only to the number of qualifying years under section 2 or 4 of those Acts.

F16 Sch. art. 5 heading substituted (6.4.2019) by The Social Security (Reciprocal Agreement) (Isle of Man) (Amendment) Order (Northern Ireland) 2018 (S.R. 2018/212), art. 1, **Sch. para. 8**

F17 Paragraph 5A was inserted by section 1(3) of the Pensions Act 2007 (c.22) and amended by S.I. 2014/3229.

[F18 5A. Subject to Articles 7 and 8, in the case of a person to whom Article 2 applies—

(a) for the purpose of determining only whether a person has at least the minimum number of qualifying years for a Manx state pension to be payable under section 2 or 4 of the Isle of Man Pensions Act, any tax year for which that person's earnings factor is sufficient to satisfy paragraph 5A(2)(b) of Schedule 3 to the Social Security Contributions and Benefits Act 1992 or paragraph 5A(2)(b) of Schedule 3 to the Social Security Contributions and Benefits (Northern Ireland) Act 1992 shall be taken into account in the Isle of Man; and

(b) the rate at which a Manx state pension is payable to a person under section 2 or 4 of the Isle of Man Pensions Act is to be determined by reference only to the number of qualifying years under section 2 or 4 of that Act.**]**

F18 Sch. art. 5A inserted (6.4.2019) by The Social Security (Reciprocal Agreement) (Isle of Man) (Amendment) Order (Northern Ireland) 2018 (S.R. 2018/212), art. 1, **Sch. para. 9**

Provisions applying to the United Kingdom and the Isle of Man

6. Subject to Articles 7 and 8, in the case of a person to whom Article 3 or 4 applies, for the purposes of claims for and determining entitlement to a retirement pension where a person's, or where applicable their spouse or civil partner's, contributions were last recorded on the National Insurance system of—

(a) the Isle of Man in respect of a tax year, that person's contributions in respect of that tax year are to be treated as paid or credited under the Isle of Man Contributions and Benefits Act;

(b) the United Kingdom in respect of a tax year, that person's contributions in respect of that tax year are to be treated as paid or credited under Part 1 (contributions) of the Social Security Contributions and Benefits Act 1992 or Part 1 (contributions) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992.

7. In the case of a person to whom this Agreement applies—

(a) where that person's, or where applicable their spouse or civil partner's, contributions were last recorded on the National Insurance system of the Isle of Man in respect of the tax year 1977-1978, any contributions that have been paid by, or have been credited to, that person or their spouse or civil partner (including graduated contributions and payments in place of graduated contributions) for any tax year before that tax year shall be treated as paid to the National Insurance system of the Isle of Man under Part 1 of the National Insurance (Isle of Man) Act 1948 F19, the National Insurance (Isle of Man) Act 1971 F20 and Part 1 of the Isle of Man Contributions and Benefits Act; and

(b) that person, or where applicable their spouse or civil partner, shall not be treated as having paid or been credited with contributions (including graduated contributions and payments in place of graduated contributions) in the United Kingdom under—