STATUTORY RULES OF NORTHERN IRELAND

1999 No. 119

SOCIAL SECURITY

The Social Security (Contributions) (Amendment) Regulations (Northern Ireland) 1999

Made - - - - 15th March 1999
Coming into operation in accordance with regulation 1(1)

The Department of Health and Social Services for Northern Ireland, in exercise of the powers conferred on it by sections 3(2), (2A) and (3) and 171(1) to (3) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(**1**) and of all other powers enabling it in that behalf, hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Contributions) (Amendment) Regulations (Northern Ireland) 1999 and shall come into operation—

(a) for the purposes of regulation 3(d), on 6th April 1999 immediately after the coming into operation of regulation 9 of the Social Security (Contributions and Credits) (Miscellaneous Amendments) Regulations (Northern Ireland) 1999(**2**);

(b) for all other purposes, on 6th April 1999.

(2) In these Regulations "the principal Regulations" means the Social Security (Contributions) Regulations (Northern Ireland) 1979(**3**).

Amendment of regulation 1 of the principal Regulations

2. In regulation 1(2) of the principal Regulations (interpretation) after the definition of "national insurance number" there shall be inserted the following definition—

> ""non-cash voucher" has the meaning assigned to it in section 141(7) of the Income and Corporation Taxes Act 1988(**4**);".

(**1**) 1992 c. 7; section 3(2A) was inserted by Article 45 of the Social Security (Northern Ireland) Order 1998 (S.I.1998/1506 (N.I. 10))
(**2**) S.R. 1999 No. 118
(**3**) S.R. 1979 No. 186; relevant amending regulations are S.R. 1991 No. 490, S.R. 1993 No. 463, S.R. 1994 No. 328, S.R. 1998 Nos. 317 and 416 and S.R. 1999 Nos. 117 and 118
(**4**) 1988 c. 1

Amendment of regulation 18 of the principal Regulations

3. In regulation 18 of the principal Regulations (calculation of earnings)—

(a) after sub-paragraph (b) of paragraph (8)(**5**) there shall be inserted the following sub-paragraph—

"(c) any non-cash voucher not falling within Schedule 1C to these Regulations and which falls within paragraph 9B of Schedule 1A(**6**) to these Regulations which is not capable of being exchanged for a readily convertible asset(**7**),";

(b) for sub-paragraphs (a) and (b) of paragraph (9)(**8**) there shall be substituted the following sub-paragraphs—

"(a) any payment by way of the conferment of a beneficial interest in any asset falling within Schedule 1A to these Regulations which is a readily convertible asset;

(b) any payment by way of any—

(i) voucher falling within paragraph 9B of that Schedule (any voucher capable of being exchanged for an asset falling within paragraphs 1 to 9ZB of that Schedule) where the asset for which it is capable of being exchanged is a readily convertible asset;

(ii) non-cash voucher not falling within Schedule 1C to these Regulations (whether or not also falling within paragraph 9B of Schedule 1A to these Regulations) which is capable of being exchanged for a readily convertible asset,";

(c) in paragraph (10)(**9**)—

(i) in sub-paragraph (a) for "(9)(a)(i)" there shall be substituted "(9)(a)";

(ii) in sub-paragraph (c) for "(9)(a)(ii)" there shall be substituted "(9)(b)";

(d) after paragraph (21)(**10**) there shall be added the following paragraphs—

"(22) The amount of earnings which is comprised in any payment by way of a non-cash voucher not falling within Schedule 1C to these Regulations or paragraph (8) or (9) of this regulation and which falls to be taken into account in the computation of a person's ("the employed earner") earnings shall, for the purposes of earnings-related contributions, be calculated or estimated on the basis of an amount equal to the expense incurred ("the chargeable expense")—

(a) by the person at whose cost the voucher and the money, goods or services for which it is capable of being exchanged are provided;

(b) in, or in connection with, that provision,

and any money, goods or services obtained by the employed earner or any other person in exchange for the voucher shall be disregarded.

(23) For the purposes of paragraph (22) of this regulation—

(a) the chargeable expense shall be reduced by any part of that expense made good to the person incurring it by the employed earner;

(b) in the case of a non-cash voucher which can only be exchanged for meals which exceeds the limits specified in paragraph 9 of Schedule 1C to these

(**5**) Paragraph (8) was substituted by S.R. 1998 No. 317
(**6**) Schedule 1A was inserted by S.R. 1991 No. 490 and amended by S.R. 1993 No. 463, S.R. 1994 No. 328 and S.R. 1998 No. 317
(**7**) Definition of "readily convertible asset" was inserted into S.R. 1979 No. 186 by S.R. 1998 No. 317
(**8**) Paragraph (9) was substituted by S.R. 1998 No. 317 and amended by S.R. 1998 No. 416 and S.R. 1999 No. 117
(**9**) Paragraph (10) was substituted by S.R. 1998 No. 317
(**10**) Paragraph (21) was added by S.R. 1999 No. 118

Regulations, the chargeable expense shall be reduced by the amount by which (if at all) it exceeds the face value of such a voucher or vouchers.

(24) The amount of earnings which is comprised in any payment by way of a cash or a non-cash voucher provided to or for the benefit of 2 or more persons ("employed earners") and which falls to be taken into account in the computation of each of those employed earner's earnings shall, for the purposes of earnings-related contributions, be calculated or estimated on the basis of—

(a) where those respective proportions are known at the time of the payment, separate payments of the chargeable expense equal to the proportion of the benefit of the voucher to which they are each respectively entitled;

(b) where the proportion of the benefit of the voucher to which each of them is respectively entitled is not known at the time of the payment, an equal part thereof.

(25) For the purposes of paragraph (24) of this regulation—

(a) "the chargeable expense" means the chargeable expense calculated in accordance with paragraph (22) of this regulation;

(b) where an employed earner makes good any part of the chargeable expense to the person incurring it, the chargeable expense in relation to that employed earner shall be reduced by that part.".

Amendment of regulation 19 of the principal Regulations

4. In regulation 19(5)(**11**) of the principal Regulations (payments to be disregarded) after sub-paragraph (b) there shall be added the following sub-paragraph—

"(c) a non-cash voucher not falling within Schedule 1C to these Regulations.".

Insertion of Schedule 1C into the principal Regulations

5. After Schedule 1B(**12**) to the principal Regulations (readily convertible assets not to be disregarded as payments under regulation 19(1)(d)(**13**)) there shall be inserted Schedule 1C as set out in the Schedule to these Regulations.

Sealed with the Official Seal of the Department of Health and Social Services for Northern Ireland on

15th March 1999.

John O'Neill
Assistant Secretary

(**11**) Paragraph (5) was substituted by S.R. 1998 No. 317
(**12**) Schedule 1B was inserted by S.R. 1998 No. 317
(**13**) Paragraph (1)(d) was amended by S.R. 1991 No. 490