1988 No. 268

INDUSTRIAL TRAINING

Industrial Training Levy (Clothing Industry) Order (Northern Ireland) 1988

Made . . . . . *22nd July 1988*

Coming into operation . . *2nd September 1988*

Whereas proposals made by the Clothing Industry Training Board(**a**) ("the Board") for the raising and collection of a levy have been submitted to, and approved by, the Department of Economic Development ("the Department") under Article 23(1) of the Industrial Training (Northern Ireland) Order 1984(**b**) ("the Order of 1984");

And whereas the Department estimates that the amount which will be payable by any employer in the clothing industry by virtue of this Order does not exceed an amount which the Department estimates is equal to one per cent. of the relevant emoluments being the aggregate of the emoluments and payments intended to be disbursed as emoluments which have been paid or are payable by any such employer to or in respect of persons employed in the industry, in respect of the period specified in the levy proposals as relevant, that is to say the period hereafter referred to in this Order as the "twenty-second base period" or, where an election is made, as the "alternative twenty-second base period";

And whereas in pursuance of Article 23(3) of the Order of 1984 the said proposals include provision for the exemption from the levy of employers who, in view of the small amount of the relevant emoluments, ought in the opinion of the Department to be exempted from it;

And whereas the Department is satisfied that remission proposals submitted to it by the Board in pursuance of Article 25(1) of the Order of 1984 provide for full remission of the remissible part of the levy in such cases as the Department considers appropriate;

And whereas the levy proposals do not include proposals that the amount of the non-remissible part of the levy will exceed two-tenths of one per cent. of the relevant emoluments;

Now, therefore, the Department in exercise of the powers conferred on it by Articles 23(2), (3) and (4) and 24(3) and (4) of the Order of 1984, and of every other power enabling it in that behalf, hereby makes the following Order:—

(**a**) Established under the Clothing Board Order
(**b**) S.I. 1984/1159 (N.I. 9)

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Industrial Training Levy (Clothing Industry) Order (Northern Ireland) 1988 and shall come into operation on 2nd September 1988.

(2) In this Order—

"assessment" means an assessment of an employer to the levy;

"business" means any activities of industry or commerce;

"Clothing Board Order" means the Industrial Training (Clothing and Footwear Board) Order (Northern Ireland) 1966(**a**);

"clothing establishment" means an establishment in Northern Ireland engaged wholly or mainly in the clothing industry for a total of twenty-seven or more weeks in the twenty-second base period, or being an establishment that commenced to carry on business in the twenty-second base period, for a total number of weeks exceeding one half of the number of weeks in the part of the said period commencing with the day on which business was commenced and ending on the last day thereof, or where an election is made, in any part of the alternative twenty-second base period;

"clothing industry" means any one or more of the activities which, subject to the provisions of paragraph 2 of Schedule 1 to the Clothing and Footwear Board Order are specified in paragraph 1 of that Schedule as the activities of the clothing industry;

"election" means an election made in accordance with the provisions of Article 2(6) by an employer to pay the levy in respect of the relevant emoluments of the persons employed in the relevant establishment during the alternative twenty-second base period;

"emoluments" means all emoluments assessable to income tax under Schedule E (other than pensions)(**b**), being emoluments from which tax under that Schedule is deductible, whether or not tax in fact falls to be deducted from any particular payment thereof;

"employer" means a person who is an employer in the clothing industry at any time in the twenty-second levy period;

"hosiery and knitwear activities" means the manufacture in an establishment of any knitted article of wearing apparel from the knitted fabric manufactured at the same establishment;

"levy" means the levy imposed by the Board in respect of the twenty-second levy period;

"notice" means a notice in writing;

"twenty-second base period" means the year that commenced on 6th April 1987 and "alternative twenty-second base period" means the year commencing on 6th April 1988;

"twenty-second levy period" means the year commencing on 1st August 1988.

(**a**) S.R. & O. (N.I.) 1966 No. 130 as amended by S.R. & O. (N.I.) 1967 No. 236 and S.R. 1984 No. 38 and renamed the Clothing Industry Training Board

(**b**) *See* Section 181 Income and Corporation Taxes Act 1970 c. 10

(3) Any reference in this Order to an establishment that commences to carry on business or that ceases to carry on business shall not be taken to apply where the location of the establishment is changed but its business is continued wholly or mainly at or from the new location, or where the suspension of activities is of a temporary or seasonal nature.

Imposition and assessment of the levy for the twenty-second levy period

2.—(1) The levy to be imposed on employers shall be assessed in accordance with the provisions of this Article.

(2) The levy shall be assessed by the Board separately in respect of each clothing establishment of an employer, but in agreement with the employer one assessment may be made in respect of any number of such establishments, in which case those establishments shall be deemed for the purposes of that assessment to constitute one establishment.

(3) Subject to the provisions of this Article the amount of the levy imposed on an employer in respect of a clothing establishment shall be equal to the percentage, which is specified in paragraph (4) or (5), of the relevant emoluments paid and payable to or in respect of all persons employed by the employer at or from that establishment—

(*a*) in the twenty-second base period; or

(*b*) where an election is made in accordance with the provisions of paragraph (6) in the alternative twenty-second base period.

(4) In the case of hosiery or knitwear activities the amount of the levy shall be 0·45 per cent. of the relevant emoluments and the part of the levy not to be eligible for remission shall be the amount equal to 0·1575 per cent. of such emoluments.

(5) In the case of any activities of the clothing industry other than those referred to in paragraph (4) the amount of the levy shall be 0·5 per cent. of the relevant emoluments and the part of the levy not to be eligible for remission shall be an amount equal to 0·175 per cent. of such emoluments.

(6) An election shall be made in writing and shall be in such form and made within such period as the Board may with the approval of the Department determine.

(7) There shall be exempt from the levy:

(*a*) an employer in relation to whom the relevant emoluments paid or payable to or in respect of all persons in his employment in the twenty-second base period are less than £40,000 or in the case of two or more clothing establishments where the relevant emoluments of all the persons employed in all such establishments are less than £40,000; or

(*b*) an employer who has made an election in accordance with the provisions of paragraph (6) in relation to whom the relevant emoluments paid or payable to or in respect of all persons in his employment in the alternative twenty-second base period are less than £40,000 or in the case of two or more clothing establishments where the relevant emoluments of all the persons employed in all such establishments are less than £40,000.