1976 No. 35

SOCIAL SECURITY

The Social Security (Contributions) (Consequential Amendments) Regulations (Northern Ireland) 1976

Made . . . . . 9th February 1976

Coming into operation in accordance with regulation 1 *and Schedule* F

The Department of Health and Social Services for Northern Ireland, in exercise of the powers conferred on it by sections 4(2)(*b*), 9(4), 10 and 124 of, and paragraphs 4(*a*) and 5(1) of Schedule 1 to, the Social Security (Northern Ireland) Act 1975(**a**), paragraphs 3, 6 and 9 of Schedule 3 to the Social Security (Consequential Provisions) Act 1975(**b**) and Articles 3, 5(2), 29(3) and 72(1) of the Social Security Pensions (Northern Ireland) Order 1975(**c**), and with the concurrence of the Inland Revenue so far as relates to regulations 6, 7 and 12 of, and item 1 of Schedule E to, these regulations and of all other powers enabling it in that behalf, hereby makes the following regulations:

Citation, interpretation and commencement

1. These regulations, which may be cited as the Social Security (Contributions) (Consequential Amendments) Regulations (Northern Ireland) 1976, shall be read as one with the Social Security (Contributions) Regulations (Northern Ireland) 1975(**d**), (hereinafter referred to as "the principal regulations") and shall come into operation as respects this regulation and Schedule F to these regulations on 6th April 1977 and as respects the remainder of these regulations on the dates specified in that Schedule.

Amendment of regulation 1(2) *of the principal regulations*

2. In regulation 1(2) of the principal regulations (interpretation) the following definitions shall be inserted—

(*a*) after the definition of British ship—

" 'contracted-out employment' has the same meaning as in Article 32(1) of the Pensions Order;

'contracted-out percentage' has the meaning assigned to it in Article 29(2) of the Pensions Order;";

(*b*) after the definition of earnings-related contributions—

" 'the former regulation 89' and 'the former regulation 92' in Case C of Part VIII of these regulations mean respectively regulation 89 and regulation 92 of these regulations before Article 5(1) of the Pensions Order (married women and widows) came into force and sections 5(3) and 125(2) of the Act (Class 1 reduced rate and married women and widows) were repealed;";

(a) 1975 c. 15
(b) 1975 c. 18
(c) S.I. 1975/1503 (N.I. 15)
(d) S.R. 1975 No. 319

(*c*) after the definition of national insurance number—

" 'non-contracted-out employment' means employed earner's employment which is not contracted-out employment;

'normal percentage' has the meaning assigned to it in Article 29(2) of the Pensions Order;";

(*d*) after the definition of pay period—

" 'the Pensions Order' means the Social Security Pensions (Northern Ireland) Order 1975(e);";

(*e*) after the definition of profits or gains—

" 'qualifying widow' in Case C of Part VIII of these regulations has the meaning assigned to it in regulation 89(1) and (8);";

(*f*) after the definition of radio officer—

" 'reduced rate' means the rate specified in regulation 93;";

(*g*) after the definition of stamp—

" 'standard rate' means the rate specified in section 4(6) of the Act for primary Class 1 contributions;".

Insertion of new regulation 5A *in the principal regulations*

3. After regulation 5 of the principal regulations there shall be inserted the following regulation:

"Lower and upper earnings limits

5A. For the purposes of section 4(1) of the Act (Class 1 contributions—incidence), for the year which begins on the date on which Article 4 of the Pensions Order (rates of contributions in respect of employed earners) comes into force the lower and upper earnings limits for that year shall be respectively £11·50 and £81·00."

Amendment of regulation 6(1) *of the principal regulations*

4. In regulation 6(1) of the principal regulations (equivalent amounts), after "section 4(2)(*b*) and (6) of the Act" there shall be inserted "and Article 29(3) of the Pensions Order".

Substitution for regulation 7(1) *to* (3) *of the principal regulations*

5. For paragraphs (1) to (3) of regulation 7 of the principal regulations (calculation of earnings-related contributions) there shall be substituted the following paragraphs:

"(1) Subject to the provisions of paragraphs (3) to (5) of this regulation, earnings-related contributions shall be calculated in accordance with the following provisions of this paragraph:

(*a*) primary and secondary contributions under section 4 of the Act (Class 1 contributions) and any primary and secondary contributions at the normal percentage and at the contracted-out percentage shall each be calculated separately; and

(*b*) each such calculation shall be to the nearest £0·01 and any amount of £0·005 or less shall be disregarded.

(2) In the alternative, but subject to the provisions of paragraphs (4) to (6) of this regulation, where the earnings period is a week or a month, the contributions specified in the last preceding paragraph may, subject to the provisions of paragraph (3) of this regulation, be calculated—

(e) S.I. 1975/1503 (N.I. 15)

(*a*) as respects earnings from non-contracted-out employment, in accordance with the scale prescribed in Part I or, as the case may be, Part II of Schedule 1 to these regulations;

(*b*) as respects earnings from contracted-out employment, in accordance with the scale prescribed in Part III or, as the case may be, Part IV of that Schedule.

(3) Where the contributions are calculated in accordance with a scale prescribed in the said Schedule 1, there shall, in respect of any payment of an amount of earnings shown in column 1 of that Schedule, be payable—

(*a*) where the earnings are in respect of a non-contracted-out employment, the amount shown opposite to those earnings in the said Part I or, as the case may be, the said Part II—

(i) in column 2 of that Part, by way of primary Class 1 contributions, if those contributions are payable at the standard rate; or

(ii) in column 3 of that Part, by way of such contributions, if those contributions are payable at the reduced rate; and

(iii) in column 4 of that Part, by way of secondary Class 1 contributions;

or

(*b*) where the earnings are in respect of a contracted-out employment, the amount shown opposite to those earnings in Part III or, as the case may be, Part IV of the said Schedule 1—

(i) in column 2 of that Part, by way of primary Class 1 contributions, if those contributions are payable otherwise than at the reduced rate; or

(ii) in column 3 of that Part, by way of such contributions, if those contributions are payable at the reduced rate; and

(iii) in column 4 of that Part, by way of secondary Class 1 contributions."

Amendment of regulation 49 *of the principal regulations*

6. In regulation 49(*a*) of the principal regulations (exception from Class 4 liability of persons over pensionable age) there shall be deleted "more than 5 years".

Amendment of regulation 51(1) *of the principal regulations*

7. In regulation 51(1) of the principal regulations (exception from Class 4 liability by reference to Class 1 contributions paid on earnings chargeable to income tax under Schedule D)—

(*a*) in sub-paragraph (*a*) for "the higher of the two figures" there shall be substituted "the figure";

(*b*) in sub-paragraph (*b*) for all the words following "divided by" there shall be substituted "the figure specified in regulation 93 of these regulations (contributions at the reduced rate)";

(*c*) after sub-paragraph (*b*) there shall be inserted the following sub-paragraph—

"(*c*) in the case of an earner who has paid such Class 1 contributions at the contracted-out percentage, the value of the Class 1 contributions so paid, multiplied by 100 and divided by the figure of the contracted-out percentage."

Amendment of regulation 80(2) *of the principal regulations*

8. In regulation 80(2) of the principal regulations (calculation of earnings-related contributions for mariners)—

(*a*) after "may be calculated" there shall be inserted "in the case of the employment being non-contracted-out employment"; and

(*b*) after "Schedule 4 to these regulations" there shall be inserted "or, in the case of the employment being contracted-out employment, in accordance with the scale prescribed in Part III or, as the case may be, Part IV of that Schedule and in either case".

Amendment of regulation 88 *of the principal regulations*

9. In regulation 88(1) of the principal regulations (interpretation) the following definitions shall be inserted—

(*a*) before the definition of personal death benefit—

" 'the former regulation 89' and 'the former regulation 92' of these regulations mean respectively regulation 89 and regulation 92 of these regulations before Article 5(1) of the Pensions Order (married women and widows) came into force and sections 5(3) and 125(2) of the Act (Class 1 reduced rate and married women and widows) were repealed;";

(*b*) after the definition of Personal Injuries Scheme—

" 'qualifying widow' has the meaning assigned to it in regulation 89(1) and (8);

'reduced rate' means the rate specified in regulation 93;".

Substitution for regulations 89 *to* 97 *of the principal regulations*

10. For the provisions of regulations 89 to 97 of the principal regulations there shall be substituted the provisions set out in Schedule A to these regulations.

Substitution for Schedule 1 *to the principal regulations*

11. For Schedule 1 to the principal regulations (weekly and monthly scales of contributions under the Act) there shall be substituted the Schedule set out in Schedule B to these regulations.

Amendment of Regulations 2(1), 13(6), 30(1) *and* (2) *and* 40 *in Schedule* 2 *to the principal regulations*

12. In Schedule 2 to the principal regulations (Income Tax (Employments) Regulations 1973 as applied to earnings-related contributions)—

(*a*) in Regulation 2(1) (interpretation) the following definitions shall be inserted at the appropriate points:

" 'contracted-out employment' has the same meaning as in Article 32(1) of the Social Security Pensions (Northern Ireland) Order 1975(f);

'contracted-out percentage' has the meaning assigned to it in Article 29(2) of the Social Security Pensions (Northern Ireland) Order 1975;

'lower earnings limit' has the meaning assigned to it in section 4(1) of the Act;";

(*b*) after sub-paragraph (*b*) of Regulation 13(6) (calculation of deduction) there shall be added the following sub-paragraph:

(f) S.I. 1975/1503 (N.I. 15)

"(*c*) when the employment is contracted-out employment, the amount of that part of the contributions recorded under head (iii) of the last preceding sub-paragraph which was payable at the contracted-out percentage on earnings above the lower earnings limit;";

(*c*) at the end of Regulation 30(1) (return by employer at end of year) there shall be added "and, severally, the total amount for the year shown under sub-paragraph (*c*) of the said Regulation 13(6);";

(*d*) in Regulation 30(2), after sub-paragraph (*b*) there shall be added the following:

"and

(*c*) in relation to any contracted-out employment the number notified by the Occupational Pensions Board on the relevant contracting-out certificate as the employer's number.";

(*e*) at the end of Regulation 40(*e*) there shall be added the expression "and (c)";

(*f*) after Regulation 40(*e*) there shall be added the following provision:

"(2) In relation to a contracted-out employment every employer shall in his said return also show the number notified by the Occupational Pensions Board on the relevant contracting-out certificate as the employer's number.".

Substitution for Schedule 4 to the principal regulations

13. For Schedule 4 to the principal regulations (weekly and monthly scales of secondary contributions under the Act at rates reduced in accordance with regulation 78) there shall be substituted the Schedule set out in Schedule C to these regulations.

Minor consequential amendments

14. The provisions of the principal regulations specified in column 2 of Schedule D to these regulations shall be amended in accordance with the provisions set out opposite thereto in column 4 of that Schedule.

Revocations

15. The provisions of the principal regulations specified in column 2 of Schedule E to these regulations are hereby revoked to the extent shown in column 4 of that Schedule.

Sealed with the Official Seal of the Department of Health and Social Services for Northern Ireland on 2nd day of February 1976.

(L.S.) *L. R. Kelly*
Assistant Secretary

The Commissioners of Inland Revenue hereby concur.

By Order of the Commissioners of Inland Revenue.

(L.S.) *J. D. Taylor Thompson*
Secretary

9th February 1976