1960. No. 114 **[C]**

NATIONAL INSURANCE

Assessment of Graduated Contributions

REGULATIONS, DATED 18TH JULY, 1960, MADE BY THE MINISTRY OF LABOUR AND NATIONAL INSURANCE UNDER THE NATIONAL INSURANCE ACT (NORTHERN IRELAND), 1959.

The Ministry of Labour and National Insurance, in exercise of powers conferred by section 2 of the National Insurance Act (Northern Ireland), 1959(a), and of all other powers enabling it in that behalf, hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These regulations, which may be cited as the National Insurance (Assessment of Graduated Contributions) Regulations (Northern Ireland), 1960, shall come into operation on the first day of the income tax week appointed under the provisions of paragraph (*b*) of sub-section (1) of section 1 of the Act (by which liability for the payment of graduated contributions is to begin with such week as the Minister may by order appoint).

(2) In these regulations—

"the Act" means the National Insurance Act (Northern Ireland), 1959;

"aggregation" means the aggregating and treating as a single payment, under sub-section (2) of section 2 of the Act, of two or more payments, and "aggregated" shall be construed accordingly;

"apportionment" means the apportioning and treating as two or more separate payments, under sub-section (2) of section 2 of the Act, of any single payment;

"cumulative emoluments" has the same meaning as in the Income Tax (Employments) Regulations, 1950(b);

"the employer" means, in relation to any payment, the employer in the employment in which that payment is made or is payable;

"graduated contribution period" has the meaning assigned to it in paragraph (3);

"payment" means a payment on account of a person's remuneration in any employment, except any employment such that graduated contributions are not payable in respect of it, and includes any part of a payment which is calculated separately from the remainder thereof;

"regular payment" means any payment made, or falling under these regulations to be treated for the purpose of graduated contributions as made, at regular intervals.

(3) "Graduated contribution period" in relation to any person means a period—

(*a*) the length of which is—

(i) in the case of a person any part of whose remuneration is paid in regular payments at intervals of a week or more, the length of the

(a) 1959, c. 21. (b) S.I. 1950/453.

shortest interval at which any such part is paid or treated as paid; and

(ii) in the case of any other person, one week; and

(*b*) which is one of a succession of periods of the same length beginning in the case of the first such period in any income tax year on the first day of that year, and in the case of each subsequent period immediately upon the ending of the period which last precedes it:

Provided that in any income tax year the period, if any, between the end of the last graduated contribution period of normal length and the beginning of the next income tax year shall itself be treated as a graduated contribution period of normal length.

Equivalent amounts

2.—(1) The equivalent amounts for the purposes of paragraph (*b*) of subsection (1) of section 1 of the Act (under which in respect of any payment exceeding nine pounds, or the equivalent amount for remuneration not paid weekly, the graduated contributions payable are calculated on the amount, up to six pounds, by which the payment exceeds nine pounds, or on the equivalent amount for remuneration not paid weekly) shall be determined in accordance with the provisions of this regulation.

(2) The respective equivalent amounts shall be—

(*a*) where the graduated contribution period is a week, nine pounds and the amount, up to six pounds, by which the payment exceeds nine pounds;

(*b*) where the graduated contribution period is a multiple of a week, the corresponding multiple of the amounts prescribed in sub-paragraph (*a*);

(*c*) where the graduated contribution period is a month, thirty-nine pounds and the amount, up to twenty-six pounds, by which the payment exceeds thirty-nine pounds;

(*d*) where the graduated contribution period is a multiple of a month, the corresponding multiple of the amounts prescribed in sub-paragraph (*c*); and

(*e*) in any other case, one-seventh of the amounts calculated by multiplying the amounts prescribed in sub-paragraph (*a*) by the number of days in the graduated contribution period in question.

Calculation of graduated contributions

3.—(1) Subject to the provisions of paragraph (3), where the graduated contribution period is a week or a month the graduated contributions payable by the employer and the employed person respectively, in respect of any payment of an amount shown in the first column of Part I or, as the case may be, Part II of the Schedule, shall be the amount opposite thereto in the second column and, in respect of any payment of an amount not so shown, shall be the amount in the second column opposite to the next smaller amount, if any, which is so shown.

(2) Where the graduated contribution period is a multiple of a week or of a month, paragraph (1) shall apply subject to the substitution for the references to the amounts in the respective columns of the Schedule of references to the corresponding multiples of those amounts.

(3) Where, in the case of any payments to which the provisions of paragraph (1) or paragraph (2) apply, it would, having regard to the means by

which the net sums payable are to be calculated, be unduly difficult or inconvenient to calculate the graduated contributions payable in respect of those payments in accordance with those provisions, the amounts of those contributions may be calculated as if those provisions did not apply; and in any case in which the amount of any graduated contribution payable is not calculated in accordance with those provisions, whether by virtue of the foregoing provisions of this paragraph or because the graduated contribution period is not a week or a month or a multiple of either a week or a month, that amount shall be calculated to the nearest penny (any amount of a half-penny being disregarded).

Payments treated as made at regular intervals

4.—(1) If on any occasion a payment which would normally fall to be made at a regular interval is made otherwise than at that regular interval, it shall for the purpose of graduated contributions be treated, subject to the provisions of regulations 7 and 8, as if it were a payment made at that regular interval.

(2) Where payments are made at irregular intervals of the amounts due for regular intervals, the payments shall for the purpose of graduated contributions be treated, subject to the provisions of regulations 7 and 8, as if they were payments made at those regular intervals.

(3) Where payments are normally made at intervals which secure that one and only one payment is made in each of a succession of periods consisting of the same number of days, weeks or months, those payments shall for the purpose of graduated contributions be treated, subject to the provisions of regulations 7 and 8, as if they were payments made at the regular interval of one of those periods; and where the intervals for which payments are normally due are such as to secure that one and only one such interval ends in each of a succession of like periods, those intervals shall be treated as regular intervals of the length of those periods for the purpose of paragraph (2).

General provisions as to aggregation and apportionment

5.—(1) Where on one or more occasions the whole or any part of a person's remuneration is not paid weekly (whether or not it is treated for the purpose of graduated contributions as paid weekly), sub-section (2) of section 2 of the Act (which makes provision for the determination of the graduated contributions payable in any income tax week by the aggregation of separate payments and the apportionment of single payments in certain cases) shall apply subject to the modifications prescribed in this regulation.

(2) In every case to which this regulation applies the said sub-section (2) of section 2 shall have effect as if for the references therein to "income tax week" and "week" there were substituted references to "graduated contribution period".

(3) Where a regular payment is made in a graduated contribution period other than that in which it would normally have fallen to be made, the said sub-section (2) of section 2 shall, subject to the provisions of this regulation, have effect as if that payment (together with any other payment which on that occasion is, and which normally falls to be, made on the same day as that regular payment) had been made in the graduated contribution period in which it would normally have fallen to be made:

Provided that where the graduated contribution period in which it is made and the graduated contribution period in which it would normally have fallen to be made are in different income tax years, the preceding provisions of this

paragraph shall not apply and that regular payment shall not be aggregated with any payment other than one which on that occasion is, and which normally falls to be, made on the same day as that regular payment.

(4) For the purposes of paragraph (3)—

(*a*) if a payment is one of a series of regular payments and if the intervals at which payments of that series are made are such that the graduated contribution period in which that payment would normally have fallen to be made cannot be otherwise identified, that graduated contribution period shall be determined in the following manner, namely—

(i) by ascertaining the graduated contribution period in which the first payment of that series in the same income tax year was made or, alternatively, in which the first payment of the corresponding series in that income tax year was made on account of the remuneration of other persons employed by the same employer on account of whose remuneration regular payments are normally made at the same intervals and on the same days; and

(ii) by treating all other payments of that series made in the same income tax year as normally falling to be made in the respective graduated contribution periods in which they would have been made if they had in fact all been made at the regular interval at which under the provisions of regulation 4 they fall to be treated as made; and

(*b*) in the application of sub-paragraph (*a*)—

(i) for the purposes of head (i) thereof, where the said first payment comprised two or more parts being payments of that series separately calculated, the part attributable to the latest interval to which any such part related shall alone be treated as the first payment of that series; and

(ii) for the purposes of head (ii) thereof, any payment (whether or not due to be made) which has been wholly omitted from a series shall be treated as if it had been made.

Aggregation of payments in separate employments under the same employer

6. Payments in any employment shall not be aggregated with payments in any other employment under the same employer if—

(*a*) such aggregation is not reasonably practicable because—

(i) any of the employments is of a casual nature, or

(ii) the remuneration in the respective employments is calculated at different places; or

(*b*) having regard to the arrangements which are or might reasonably be made for the calculation and payment of the remuneration in the respective employments, it is not reasonably practicable at or before the time of payment for any of the persons calculating or making the payments in any one such employment to have such information about the other employment or employments and the payments made or to be made therein as would be required for the calculation of the graduated contributions payable if the payments made in the respective employments fell to be aggregated.

Change of graduated contribution period

7.—(1) The provisions of this regulation apply where, by reason of a change in the shortest regular interval at which any part of a person's remuneration is paid or treated as paid (hereinafter referred to as "the shortest regular