

1984 No. 43

SOCIAL SECURITY

**The Social Security (Contributions) (Amendment) Regulations
(Northern Ireland) 1984***Made* 15th February 1984*Coming into operation*

<i>Regulations 1 to 8, 9(b), 10 to 12, 13(b) and (c) and 14 to 16</i>	6th April 1984
<i>Regulations 9(a) and 13(a)</i>	6th April 1985

The Department of Health and Social Services for Northern Ireland, in exercise of the powers conferred on it by sections 3(2) and (3), 8(1), 10(2) and 157(1) of, and paragraphs 1(1) and (3), 2, 5(1)(b) and 6(1)(c), (d), (h) and (m) of Schedule 1 and Schedule 17 to, the Social Security (Northern Ireland) Act 1975(a), Article 7(2) of the Social Security Pensions (Northern Ireland) Order 1975(b) and Article 3(4) of the Social Security (Miscellaneous Provisions) (Northern Ireland) Order 1977(c) and of all other powers enabling it in that behalf and with the concurrence of the Inland Revenue in so far as their concurrence is required, hereby makes the following regulations which correspond to provision contained in regulations made by the Secretary of State for Social Services in relation to Great Britain and which accordingly, by virtue of section 10(2) of, and paragraph 21 of Schedule 3 to, the Social Security Act 1980(d) are not subject to the requirement of section 10(1) of that Act for prior reference to the Social Security Advisory Committee:

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Social Security (Contributions) (Amendment) Regulations (Northern Ireland) 1984 and shall come into operation—

(a) in the case of regulations 1 to 8, 9(b), 10 to 12, 13(b) and (c) and 14 to 16 on 6th April 1984;

(b) in the case of regulations 9(a) and 13(a) on 6th April 1985.

(2) In these regulations “the principal regulations” means the Social Security (Contributions) Regulations (Northern Ireland) 1979(e).

Amendment of regulation 3 of the principal regulations

2. In regulation 3 of the principal regulations (earnings period for earnings normally paid or treated as paid at regular intervals)—

(a) in paragraph (1) after “paragraphs (2),” there shall be inserted “(2A),”;

(b) for sub-paragraph (a) of paragraph (1) there shall be substituted the following sub-paragraph—

(a) 1975 c. 15; section 8(1) was amended by Article 3(1) of the Social Security and Family Allowances (Northern Ireland) Order 1976 (S.I. 1976/427 (N.I. 9)) and by Article 4 of the Social Security (Contributions, Re-rating) Order (Northern Ireland) 1982 (S.R. 1982 No. 413). See definitions of “prescribe” and “regulations” in Schedule 17

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

(c) S.I. 1977/610 (N.I. 11)

(d) 1980 c. 30

(e) S.R. 1979 No. 186; the relevant amending regulations are S.R. 1981 No. 30, 1982 No. 267 and 1983 No. 64

“(a) the length of which is—

- (i) in a case where there is one regular interval of 7 days or more, the length of that interval;
- (ii) in a case where there are regular intervals of different lengths each of which is 7 days or more, the length of the shorter or, as the case may be, shortest interval;
- (iii) in a case where the regular interval is less than 7 days or where there is more than one such interval, a week;
- (iv) in a case where there is one or more than one regular interval of 7 days or more and one or more than one regular interval of less than 7 days, a week; and”;

(c) for paragraph (2) there shall be substituted the following paragraph—

“(2) Without prejudice to the provisions of sub-paragraph (b) of the last preceding paragraph, if the Department is satisfied that the greater part of the earnings specified in that paragraph is normally paid at intervals of greater length than the shorter or, as the case may be, shortest and notifies the earner and the secondary contributor accordingly, the length of the longer or, as the case may be, longest interval, shall be, from a date notified by the Department, the length of the earnings period in place of that specified in that paragraph.”;

(d) after paragraph (2) there shall be inserted the following paragraph—

“(2A) Where the length of the earnings period determined in accordance with the provisions of the last preceding paragraph is a year, then notwithstanding the provisions of paragraph (1)(b) of this regulation, where the change in the length of the earnings period takes effect during the course of a year the length of the earnings period in respect of any earnings in that year which are paid or treated as paid on or after the change shall be the number of weeks remaining therein, commencing with the week in which the change takes effect.”;

(e) for paragraph (4) there shall be substituted the following paragraph—

“(4)(a) Where—

- (i) the employment in respect of which the earnings are paid has ended, and
 - (ii) the employment in respect of which the earnings are paid was one in which, during its continuance, earnings were paid or treated under regulation 6 of these regulations as paid at a regular interval, and
 - (iii) after the end of the employment a payment of earnings is made which satisfies either or both of the conditions specified in the next succeeding sub-paragraph,
- the earnings period in respect of such payment of earnings shall, notwithstanding the provisions of the said regulation 6, be the week in which the payment is made;
- (b) the conditions referred to in the last preceding sub-paragraph are that the payment is one which is—
 - (i) by way of addition to a payment made before the end of the employment,
 - (ii) not in respect of a regular interval.”.

Substitution for regulation 4 of the principal regulations

3. For regulation 4 of the principal regulations (earnings period for earnings normally paid otherwise than at regular intervals and not treated as paid at regular intervals) there shall be substituted the following regulation—

“Earnings period for earnings normally paid otherwise than at regular intervals and not treated as paid at regular intervals

4. Subject to regulation 3(4) or 5 of these regulations, where earnings are paid to or for the benefit of an earner in respect of an employed earner's employment, but no part of those earnings is normally paid or treated under regulation 6 of these regulations as paid at regular intervals, the earnings period in respect of those earnings shall be a period of one of the following lengths—

- (a) the length of the period of that part of the employment for which the earnings are paid or a week, whichever is the longer, or
- (b) where it is not reasonably practicable to determine that period under the provisions of the last preceding paragraph—
 - (i) the length of the period from the date of the last preceding payment of earnings paid during the employment in respect of the employment (or, if there has been no such payment, from the date on which the employment began) to the date of the payment, so however that where the period so calculated would be of a length less than that of a week, the earnings period shall be of a length equal to that of a week, or
 - (ii) where the payment is made before the employment begins or after it ends, a week.”.

Amendment of regulation 5 of the principal regulations

4. In regulation 5 of the principal regulations (earnings period for sums deemed to be earnings by virtue of regulations made under Article 14 of the Social Security (Miscellaneous Provisions) (Northern Ireland) Order 1977)—

- (a) in paragraph (a)—
 - (i) after “of those earnings shall be” there shall be inserted “a period of one of the following lengths”;
 - (ii) after the words “the said Order refers,” wherever they appear there shall be inserted “the length of”;
 - (iii) in sub-paragraph (i) after “is paid” there shall be inserted “or a week, whichever is the longer”;
- (b) in paragraph (b) for the words “earnings period as aforesaid” or “earnings period” wherever they appear there shall be substituted in either case “period to which the payment of earnings relates”.

Amendment of regulation 6 of the principal regulations

5. In regulation 6 of the principal regulations (treatment of earnings paid otherwise than at regular intervals)—

- (a) in paragraph (1) after “provisions of” there shall be inserted “regulation 3(4) of these regulations and”;
- (b) for paragraph (3) there shall be substituted the following paragraphs—
 - “(3) The preceding provisions of this regulation shall not apply to a payment of earnings made in one year where by virtue of such provisions that payment would be treated as made in another year.
 - (4) Notwithstanding the provisions of regulation 12 of these regulations, a payment to which paragraph (3) of this regulation applies shall not be aggregated with any other earnings except where—

- (a) other earnings to which the said preceding provisions do not apply by virtue only of the said paragraph (3) are paid in the earnings period in which the said payment falls; and

- (b) those other earnings would have been aggregated with the said payment had the provisions of the said paragraph (3) not applied.
- (5) In the case of a payment to which paragraph (4) of this regulation applies the said payment shall be aggregated only with the other earnings specified therein.”.

Amendment of regulation 12 of the principal regulations

6. In regulation 12 of the principal regulations (aggregation of earnings paid in respect of different employed earner's employments by different persons and apportionment of contribution liability)—

- (a) at the beginning of paragraph (1) there shall be inserted “Subject to the provisions of regulation 6 of these regulations,”;
- (b) in paragraph (2) after “those earnings shall” there shall be inserted “, in a case falling within sub-paragraph (a) of that paragraph,”.

Substitution for regulation 15 of the principal regulations

7. For regulation 15 of the principal regulations (holiday payments) there shall be substituted the following regulation—

“Holiday payments

15. Where as respects an employed earner's employment in which the earner is paid or would, but for the provisions of paragraph (b) of this regulation, be treated as paid under regulation 6 of these regulations at a regular interval of a week or multiple thereof, a payment of earnings includes or comprises a payment in respect of a period of holiday entitlement other than such a payment made to an earner in respect of a period of holiday entitlement outstanding on termination of that employment, for the purposes of calculating the earnings-related contributions payable in respect of that payment of earnings—

- (a) the earnings period may be the length of the period in respect of which the payment is made, so however that where the length of that earnings period includes a fraction of a week that fraction shall be treated as a whole week; and where the earnings period is so determined,
- (b) the provisions of regulation 6 of these regulations shall not apply.”.

Amendment of regulation 19 of the principal regulations

8. In paragraph (1)(b) of regulation 19 of the principal regulations (payments to be disregarded) after “period of holiday” there shall be inserted “entitlement”.

Amendment of regulation 27 of the principal regulations

9. In paragraph (3)(b) of regulation 27 of the principal regulations (Class 3 contributions)—

- (a) for head (i) there shall be substituted the following head—

“(i) where the contribution is payable in respect of any year before 6th April 1982, before the end of the 2nd year following the year in respect of which it is paid; and where the contribution is payable in respect of any year after 5th April 1982, before the end of the 6th year following the year in respect of which it is paid; or”;

- (b) after head (ii) there shall be inserted the following head—

“; and

(iii) where the year first mentioned in head (ii) of this sub-paragraph is immediately preceded or followed by a year in which the conditions specified in that head are not satisfied in respect only of the length of the

period specified therein, in respect of that preceding or following year, before the end of the 6th year following the year in which the education, apprenticeship, training, imprisonment or detention described in that head terminated.”.

Amendment of regulation 28 of the principal regulations

10. In paragraph (2) of regulation 28 of the principal regulations (precluded Class 3 contributions)—

- (a) in sub-paragraph (b) “the first contribution condition for maternity grant or” shall be omitted;
- (b) sub-paragraph (c) shall be omitted.

Amendment of regulation 32 of the principal regulations

11. In regulation 32 of the principal regulations (return of contributions)—

- (a) in paragraph (1) for the words from “require, if application” to the end there shall be substituted “be, if application to that effect is made in writing to the Department and, in the case of contributions paid in error, within the time specified in paragraph (5) of this regulation, unless the net amount of the contributions to be returned—

- (a) in the case of Class 1 contributions; or

- (b) in the case of Class 2 contributions paid in excess of the amount prescribed in the said regulation 17,

does not exceed the amount of half a standard rate contribution payable on earnings at the lower earnings limit prescribed in regulation 7 of these regulations for the last or only year in respect of which the contributions were paid.”;

- (b) in paragraph (3)—

- (i) after “the provisions of” there shall be inserted “regulation 87 of these regulations or”;

- (ii) after “the said regulation” there shall be inserted “87 or”;

- (iii) at the end of the paragraph there shall be inserted “, in the following order of priority—

- (a) contributions paid at a rate reduced in accordance with the said regulation 115;

- (b) contributions paid at a rate reduced in accordance with the said regulation 87.”.

Amendment of regulation 35 of the principal regulations

12. In regulation 35 of the principal regulations (calculation of return of contributions)—

- (a) in paragraph (1)(b) after “paid had” there shall be inserted “any of”;

- (b) after paragraph (1) there shall be inserted the following paragraph—

“(1A) Where by virtue of regulation 32 of the Social Security (Determination of Claims and Questions) Regulations (Northern Ireland) 1975(a) (overpaid benefit to be treated as properly paid where additional supplementary benefit would otherwise have been payable) a supplementary benefit officer makes a statement in accordance with paragraph (1)(b) thereof, then, notwithstanding the provisions of paragraph (1)(b) of this regulation, there shall be deducted from the amount of any contributions otherwise to be returned the difference between the

(a) S.R. 1975 No. 100; the relevant amending regulations are S.R. 1979 No. 354 and 1980 No. 383

amount of contributory benefit specified in the last-mentioned paragraph and the additional amount of supplementary pension or allowance specified in the first-mentioned paragraph.”.

Amendment of regulation 38 of the principal regulations

13. In regulation 38 of the principal regulations (treatment for purpose of contributory benefit of late paid contributions under the Act)—

(a) after paragraph (1) there shall be inserted the following paragraph—

“(1A) In the case of—

(a) a Class 2 contribution payable in respect of a contribution week after 5th April 1983;

(b) a Class 3 contribution payable in respect of a year after 5th April 1982, paragraphs (2) and (4) of this regulation shall have effect as if for the word “second” wherever it appears therein, there were substituted the word “sixth”;

(b) in paragraph (3) after “regulation 27(3)(b)(ii)” there shall be inserted “or (iii)”;

(c) in paragraph (5)—

(i) after “paragraph (1) of this regulation” there shall be inserted “which is paid within the time specified in paragraph (2)(b) or, as the case may be, paragraph (3)(b) of this regulation”;

(ii) for “benefit specified in that paragraph” there shall be substituted “contributory benefit”.

Amendment of regulation 54 of the principal regulations

14. For paragraph (1) of regulation 54 of the principal regulations (method of, and time for, payment of Class 2 and Class 3 contributions etc.) there shall be substituted the following paragraph—

“(1) Every Class 2 and Class 3 contribution which is payable shall, except as hereinafter otherwise provided, be paid by the affixing of a stamp of the appropriate value to the contribution card of the contributor in the space provided on that card for that purpose.”.

Amendment of regulation 71 of the principal regulations

15. In regulation 71 of the principal regulations (notification of insurance number and recording of category letter on deduction card) for the words “deduction card” wherever they appear there shall be substituted “deductions working sheet”.

Amendment of Regulations 13 and 32, and insertion of Regulation 25, in Schedule 1 to the principal regulations

16.—(1) Schedule 1 to the principal regulations (application of Income Tax (Employments) Regulations 1973 to earnings-related contributions) shall be amended in accordance with the following provisions.

(2) In Regulation 13 (calculation of deduction)—

(a) paragraphs (2A)(b)(iv), (6)(b)(i) and (6A) shall be omitted;

(b) in paragraph (3A)(a) the words from “—(i) in a case” to “(ii) in any other case,” shall be omitted;

(c) in paragraph (6) for “paragraphs (6A) and (6B)” there shall be substituted “paragraph (6B)”;

(d) for paragraph (6C) there shall be substituted the following paragraph—

“(6C) When an employer pays emoluments he shall record under the name of

the employee to whom he pays the emoluments—

- (a) the date of payment;
- (b) the amount of the emoluments, excluding therefrom any allowable superannuation contributions;
- (c) any allowable superannuation contributions,

and shall retain the record thereof for a period of 3 years after the end of the year in which the emoluments were paid.”

(3) After Regulation 13 (calculation of deduction) there shall be inserted the following Regulation—

“Certificate of contributions paid

25. Where the employer—

- (a) is required to give the employee a certificate in accordance with Regulation 25 of the Income Tax Regulations (certificate of tax deducted), the employer shall enter thereon under each and in respect of each of the category letters—

- (i) the amount of primary Class 1 contributions paid by the employee in the employment concerned in respect of the year to which the certificate relates; and
- (ii) the amount, if any, of the contributions recorded under head (i) of this paragraph paid at the contracted-out percentage;

- (b) is not required to give the employee a certificate in accordance with Regulation 25 of the Income Tax Regulations because no tax has been deducted from the employee’s emoluments during the year concerned, but the employee has paid primary Class 1 contributions therein, the employer shall nevertheless give the employee such a certificate showing thereon the information referred to in paragraph (a) of this Regulation.”

(4) In Regulation 32(5) (inspection of employer’s records) after “deductions working sheets” there shall be inserted “(not being deductions working sheets issued under Regulation 21 of the Income Tax Regulations)”.

Sealed with the Official Seal of the Department of Health and Social Services for Northern Ireland on 15th February 1984.

(L.S.)

A. N. Burns

Assistant Secretary

The Commissioners of Inland Revenue hereby concur.

J. M. Green
A. J. G. Isaac

Two of the Commissioners of Inland Revenue

17th February 1984

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These regulations further amend the Social Security (Contributions) Regulations (Northern Ireland) 1979 ("the principal regulations").

Regulation 2 amends regulation 3 of the principal regulations in four respects. It determines the length of the earnings period where earnings are paid at one regular interval, or at regular intervals of different lengths. It makes an amendment to the present provision whereby the Department may secure that an earnings period of greater length shall apply in place of the existing period by extending that provision to a case where more than two regular intervals are concerned. It also provides that where that longer earnings period is an income tax year, the first such earnings period shall consist of the number of weeks remaining in the year. Lastly, the regulation makes provision for the earnings period applicable to earnings paid after the employment ends.

Regulation 3 amends regulation 4 of the principal regulations by simplifying the manner in which earnings periods are determined in cases where earnings are not paid normally at regular intervals or are not treated as paid at such intervals. The amended regulation provides that the earnings period for such earnings shall be the length of that part of the employment concerned or, where it is not reasonably practicable to determine that part, the period between payments. It also makes provision for cases where there is no previous payment; and for those where the payment is made before the employment begins or after it ends.

Regulation 4 amends regulation 5 of the principal regulations by providing that the earnings period in respect of certain awards made under the Industrial Relations (Northern Ireland) Order 1976 (S.I. 1976/1043 (N.I. 16)) and the Industrial Relations (No. 2) (Northern Ireland) Order 1976 (S.I. 1976/2147 (N.I. 28)) shall be the length of the period to which the award relates or a week, whichever is the longer.

Regulation 5 amends regulation 6 of the principal regulations which provides for the treatment of earnings paid otherwise than at regular intervals. It amends those provisions by preventing a payment made in one tax year from being treated as paid in another; it also provides that such a payment shall not be aggregated with any other earnings except where other earnings with which it would have been aggregated, had all the earnings been paid at the normal time, are paid in the same earnings period.

Regulation 6 makes a consequential amendment to regulation 12 of the principal regulations and also makes a minor clarifying amendment.

Regulation 7 makes a substitution for regulation 15 of the principal regulations. It prescribes an optional earnings period for payments in respect of a period of holiday entitlement. It now makes provision for cases where a payment of earnings is in respect of holiday pay only or includes elements in respect of both holiday and other pay.

Regulation 8 extends regulation 19(1)(b) of the principal regulations, so that it makes provision for holiday payments specified in the said paragraph (1)(b) whether or not a holiday is actually taken.

Regulation 9 amends regulation 27 of the principal regulations in two respects. Firstly, it extends the period for payment of Class 3 contributions payable in respect of any year after 5th April 1982 from 2 to 6 years. This provision comes into operation on 6th April 1985. Secondly, it makes special provision for the payment of Class 3

contributions in respect of a year in which there is a period of full-time education, full-time apprenticeship or training (where the earnings therefrom are below the lower earnings limit), or imprisonment or detention in legal custody of less than 6 months which immediately precedes or follows another year in which the contributor has been so engaged or confined for at least 6 months.

Regulation 11 amends regulation 32 of the principal regulations by restricting the return of erroneously paid or excess Class 1 contributions, and excess Class 2 contributions, to any amount above half a primary Class 1 contribution payable on earnings at the weekly lower earnings limit. Previously this limit was, in the case of Class 1 contributions 50p, and in the case of Class 2 contributions half such a contribution. It also specifies the priority for the return of contributions paid at the reduced rate by serving members of the forces and mariners.

Regulation 12 amends regulation 35 of the principal regulations by inserting a provision which abates the amount of contributory benefit to be deducted from any returnable contributions by the amount of any additional supplementary pension or allowance which would have been paid.

Regulation 13 amends regulation 38 of the principal regulations by inserting a provision extending the time limits in which late-paid Class 2 and Class 3 contributions are treated as paid for the purposes of entitlement to contributory benefit. In both cases the limit is extended from 2 to 6 years. In the case of Class 2 contributions the regulation applies to those payable in respect of a week after 5th April 1983, and in the case of Class 3 contributions to those payable in respect of a year after 5th April 1982. The provision comes into operation on 6th April 1985. It also makes an amendment consequent on the amendment to regulation 27 of the principal regulations.

Regulation 14 makes a substitution for paragraph (1) of regulation 54 of the principal regulations. It provides that payment of a Class 2 or Class 3 contribution is effected by stamping a card with a stamp of the appropriate value in a space provided on the card. Hitherto, in the case of Class 3 contributions, in order to effect payment the card had also to be surrendered to a social security office or inspector.

Regulation 16 amends Schedule 1 to the principal regulations which contains the provisions of the Income Tax (Employments) Regulations 1973 (S.I. 1973/334) as they apply to earnings-related contributions under the Social Security (Northern Ireland) Act 1975. Regulation 16(2) amends Regulation 13 in the Schedule by requiring an employer to record and retain for 3 years after the end of the income tax year concerned details relating to the payment of emoluments to each employee; it also makes two consequential amendments and deletes three redundant provisions. Regulation 16(3) inserts Regulation 25 into the Schedule; it requires the employer to give each employee in his employment at the end of the income tax year a certificate of primary Class 1 contributions paid by the employee in the employment concerned. Regulation 16(4) makes an amendment to Regulation 32(5) in the Schedule by excluding from the deductions working sheets to be retained by the employer for at least 3 years those which are returnable to the Collector of Taxes.

Regulation 15 makes a consequential amendment, while regulation 10 removes redundant provisions.