

## SCHEDULES

### SCHEDULE 6

#### MINOR AND CONSEQUENTIAL AMENDMENTS

##### *The Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7)*

**58.**—(1) In the heading to Schedule 1 (supplementary provisions relating to contributions of Classes 1, 1A, 2 and 3), after the word “1A,” there shall be inserted the word “1B,”.

(2) For sub-paragraph (2) of paragraph 1 of that Schedule there shall be substituted the following sub-paragraph—

“(2) Where earnings in respect of employments which include any contracted-out employment and any employment which is not a contracted-out employment are aggregated under sub-paragraph (1) above, then, except as may be provided by regulations—

- (a) if the aggregated earnings exceed the current lower earnings limit, the amount of the primary Class 1 contribution in respect of the aggregated earnings shall be determined in accordance with sub-paragraph (3) below; and
- (b) if the aggregated earnings exceed the current earnings threshold, the amount of the secondary Class 1 contribution in respect of the aggregated earnings shall be determined in accordance with sub-paragraph (6) below.”.

(3) In sub-paragraph (3) of that paragraph, immediately before the words “does not exceed”, in each place where they occur, there shall be inserted the words “exceeds the current lower earnings limit and”.

(4) In sub-paragraph (6) of that paragraph—

- (a) in paragraph (a), for the words “the APPS earnings” there shall be substituted the words “such part of the APPS earnings as exceeds the earnings threshold”;
- (b) in paragraphs (b) and (c), for the words “the part of the aggregated earnings attributable to such service” there shall be substituted the words “such part of the aggregated earnings attributable to such service as exceeds the earnings threshold”; and
- (c) in paragraph (d), for the words “the remainder of the aggregated earnings” there shall be substituted the words “such part of the remainder of the aggregated earnings as exceeds the earnings threshold”.

(5) In sub-paragraph (1) of paragraph 3 of that Schedule, for the words “his own secondary contribution” there shall be substituted the words “any secondary contribution of his own”.

(6) For paragraph 5 of that Schedule there shall be substituted the following paragraph—

##### *“Class 1A contributions*

**5.** Regulations may—

- (a) make provision for calculating the amount of Class 1A contributions so as to avoid fractional amounts;

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- (b) modify section 10 above in relation to cases where a car is made available by reason of two or more employed earner’s employments under different employers.”.
- (7) After that paragraph there shall be inserted the following paragraph—

*“Class 1B contributions*

**5A.** Regulations may make provision for calculating the amount of Class 1B contributions so as to avoid fractional amounts.”.

- (8) In sub-paragraph (1) of paragraph 6 of that Schedule, for paragraph (a) there shall be substituted the following paragraph—

“(a) provide for Class 1, Class 1A, Class 1B or Class 2 contributions to be paid, accounted for and recovered in a similar manner to income tax in relation to which regulations under section 203 of the Income and Corporation Taxes Act 1988 (PAYE) have effect;”.

- (9) In sub-paragraph (2) of that paragraph—

- (a) for the words “or Class 1A”, in each place where they occur, there shall be substituted the words “, Class 1A or Class 1B”; and

- (b) in paragraph (b), the words “(being not less than one year after the end of the tax year in respect of which the sums are due)” shall cease to have effect.

- (10) For sub-paragraph (4) of that paragraph there shall be substituted the following sub-paragraph—

“(4) Where—

- (a) a decision relating to contributions falls to be made under Article 9, 10, 11, 13 or 15 of the Social Security (Northern Ireland) Order 1998 or under section 22 of the Administration Act; and

- (b) the decision will affect a person’s liability for, or the amount of, any interest due in respect of those contributions,

regulations under this paragraph shall not require any such interest to be paid until the decision has been made.”.

- (11) After that sub-paragraph there shall be inserted the following sub-paragraph—

“(4A) Regulations under this paragraph shall not require the payment of interest on a sum due in respect of a Class 1B contribution if a relevant tax appeal has been brought but not finally determined; and “a relevant tax appeal” means an appeal against a determination as to the amount of income tax in respect of which the person liable to pay the Class 1B contribution is accountable in accordance with the relevant PAYE settlement agreement.”.

- (12) In sub-paragraph (11)(a) of paragraph 7 of that Schedule, for the words “and Class 1A” there shall be substituted the words “, Class 1A and Class 1B”.

- (13) For sub-paragraph (12) of that paragraph there shall be substituted the following sub-paragraph—

“(12) A penalty under section 98A of that Act as it applies by virtue of this paragraph shall not be imposed where—

- (a) a decision relating to contributions falls to be made under Article 9, 10, 11, 13 or 15 of the Social Security (Northern Ireland) Order 1998 or under section 22 of the Administration Act, and has not yet been made; and

- (b) the decision will affect a person’s liability for the penalty, or the amount of it.”.

- (14) In sub-paragraph (1)(b) of paragraph 8 of that Schedule, after the words “Class 1A” there shall be inserted the words “or Class 1B”.

- (15) After paragraph (i) of that sub-paragraph there shall be inserted the following paragraph—  
“(ia) for the repayment, in prescribed cases, of the whole or a prescribed part of a Class 1B contribution;”.
- (16) In paragraph (1) of that sub-paragraph—
- (a) in sub-paragraph (i), after the words “Class 1A contributions” there shall be inserted the words “or a Class 1B contribution”;
  - (b) in sub-paragraph (ii), after the words “Class 1 contributions” there shall be inserted the words “, a Class 1B contribution”;
  - (c) after that sub-paragraph there shall be inserted the following sub-paragraph—  
“(ia) the whole or part of any payment of a Class 1B contribution to be treated as a payment of secondary Class 1 contributions, Class 1A contributions or Class 2 contributions;” and
  - (d) in sub-paragraph (iii), for the words “or Class 1A contributions” there shall be substituted the words “, Class 1A contributions or a Class 1B contribution”.