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STATUTORY INSTRUMENTS

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**1994 No. 667**

**SOCIAL SECURITY**

**The Social Security (Contributions)  
(Miscellaneous Amendments) Regulations 1994**

<i>Made</i>	- - - -	<i>9th March 1994</i>
<i>Laid before Parliament</i>		<i>16th March 1994</i>
<i>Coming into force</i>	- -	<i>6th April 1994</i>

The Secretary of State for Social Security, with the concurrence of the Inland Revenue in so far as their concurrence is required, in exercise of powers conferred by sections 1(4), 10(7) and (9), 122(1) and 175(1) to (3) of, and paragraph 6(1) of Schedule 1 to, the Social Security Contributions and Benefits Act 1992(1) and of all other powers enabling him in that behalf, after agreement by the Social Security Advisory Committee that proposals to make these Regulations should not be referred to it(2), hereby makes the following Regulations:

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the Social Security (Contributions) (Miscellaneous Amendments) Regulations 1994 and shall come into force on 6th April 1994.

(2) In these Regulations, “the principal Regulations” means the Social Security (Contributions) Regulations 1979(3) and “Regulation” means a regulation contained in Schedule 1 to the principal Regulations (which, with extensions and modifications, contains provisions of the Income Tax (Employments) Regulations 1993(4) as they apply to earnings-related contributions and Class 1A contributions under the Social Security Contributions and Benefits Act 1992).

**Amendment of regulations 22C, 22D and 22F of the principal Regulations**

2.—(1) Regulation 22C, 22D and 22F of the principal Regulations (Class 1A contributions in respect of certain cars and certain earners)(5) shall be amended in accordance with the following paragraphs of this regulation.

(2) In regulation 22C—

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(1) 1992 c. 4; section 122(1) is cited because of the meaning ascribed to the word “prescribe”.  
(2) See the Social Security Administration Act 1992 (c. 5), section 173(1)(b).  
(3) S.I. 1979/591; relevant amending instruments are S.I. 1992/667, 1992/1440 and 1993/2736.  
(4) S.I. 1993/744, which consolidated S.I. 1973/334 and its subsequent amending regulations.  
(5) Regulations 22A to 22G were inserted by regulation 2 of S.I. 1992/667.

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

*“Class 1A contributions payable where two or more cars are made available concurrently”;*

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

“(1) This regulation applies where the amount of any Class 1A contribution payable for any year does not reflect a reduction in the cash equivalent of the benefit of the car as provided for by paragraph 2 of Schedule 6 to the 1988 Act, because of the application of paragraph 4 of that Schedule (modified reduction in cash equivalent where two or more cars are made available concurrently).”;

- (c) in paragraph (2) for the words from “shall be so reduced” to “paragraph 5(3)” there shall be substituted the words “shall be equal to the amount which would have been payable if paragraph 4”.

- (3) In regulations 22D and 22F—

- (a) for the words “paragraph 2(2)” there shall be substituted the words “paragraph 9”,  
 (b) for the words “paragraph 3(2)” there shall be substituted the words “paragraph 3(a)”, and  
 (c) for the words “paragraph 5(2)” there shall be substituted the words “paragraph 3(b)”,

on each occasion where they occur.

### **Amendment of Regulation 30 of Schedule 1 to the principal Regulations**

**3.** In Schedule 1 to the principal Regulations, in Regulation 30(1)(i) (return by employer at end of year)(6) the words from “and separately from” to the end shall be omitted.

### **Amendment of section 10 of the Social Security Contributions and Benefits Act 1992**

**4.—(1)** In section 10(6) of the Social Security Contributions and Benefits Act 1992 (Class 1A contributions)(7)—

- (a) for paragraphs (a) and (b) there shall be substituted the following paragraphs—

“(a) the car shall not be treated as being unavailable on a day by virtue of paragraph 9(c) of Schedule 6 to the Income and Corporation Taxes Act 1988 for the purposes of section 158(5) of that Act or paragraph 3 or 6 of that Schedule, unless the person liable to pay the contribution has information to show that the condition specified in paragraph 9(c) is satisfied as regards that day;

- (b) the use of the car for the earner’s business travel shall be taken—

(i) for the purposes of sub-paragraph (1) of paragraph 2 of that Schedule to have amounted to less than 18,000 miles (or such lower figure as is applicable by virtue of sub-paragraph (a) of paragraph 3 of that Schedule); and

(ii) for the purposes of sub-paragraph (2) of paragraph 2 of that Schedule to have amounted to less than 2,500 miles (or such lower figure as is applicable by virtue of sub-paragraph (b) of paragraph 3 of that Schedule),

unless in either case the person liable to pay the contribution has information to show to the contrary; and”;

- (b) in paragraph (c) for the words “paragraph 5(3)” there shall be substituted the words “paragraph 4”.

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(6) Sub-paragraphs (g) to (i) were substituted by regulation 13(3) of S.I. 1992/1440.

(7) Section 10(6)(b)(i) was amended by regulation 3 of S.I. 1993/2736.

(2) This regulation shall have effect for 1994-95 and for subsequent tax years.

Signed by authority of the Secretary of State for Social Security.

8th March 1994

*William Hague*  
Parliamentary Under-Secretary of State,  
Department of Social Security

The Commissioners of Inland Revenue hereby concur

9th March 1994

*L. J. H. Beighton*  
*C. W. Corlett*  
Two of the Commissioners of Inland Revenue

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations further amend section 10(6) of the Social Security Contributions and Benefits Act 1992 (“the Act”) and the Social Security (Contributions) Regulations 1979 (“the principal Regulations”).

Regulation 4 amends section 10(6) of the Act to give effect to the changes made to Schedule 6 to the Income and Corporation Taxes Act 1988 (c. 1) by section 72 of the Finance Act 1993 (c. 34). The amendments to section 10(6) of the Act reflect those amendments and relate to the calculation of the cash equivalent of a car or fuel for the purposes of Class 1A contributions where cars or fuel are provided for private motoring to directors and certain employees. The amendments concern availability of the car in question and the use of the car for business travel.

Regulation 2 makes amendments to regulations 22C, 22D and 22F of the principal Regulations consequential upon the amendments made to section 10(6) of the Act.

Regulation 3 amends Regulation 30 of Schedule 1 to the principal Regulations so that on succession to, or cessation of, a business an employer need not record Class 1A contributions separately from the previous year’s Class 1A contributions when completing annual returns.

An assessment of the costs to business has been undertaken. It shows that these Regulations do not impose a cost on business. The assessment has been placed in the Libraries of both Houses of Parliament. Copies can be obtained by post from the Department of Social Security, Room 09/03, Adelphi, 1-11 John Adam Street, London WC2N 6HT.