

SCHEDULE 4

Regulation 67(2)

[^{F1}Provisions derived from the Income Tax Acts and the Income Tax (Pay As You Earn) Regulations 2003]

Textual Amendments

- F1** Sch. 4 heading substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **29(2)**

PART I

GENERAL

Interpretation

1.—^{F2}(1) In this Schedule the “PAYE Regulations” means the Income Tax (Pay As You Earn) Regulations 2003.

(2) In this Schedule, except where the context otherwise requires—
“aggregated” means aggregated and treated as a single payment under paragraph 1(1) of Schedule 1 to the Act;

“allowable pension contributions” means any sum paid by an employee by way of contribution towards a pension fund or scheme which is withheld from the payment of PAYE income and for which a deduction must be allowed from employment income under section 592(7) or 594(1) of the Taxes Act (exempt approved schemes and exempt statutory schemes);

[^{F3}“closed tax year” means any year preceding the current year and cognate expressions shall be construed accordingly;]

“Compensation of Employers Regulations” means the Statutory Maternity Pay (Compensation of Employers) and Miscellaneous Amendments Regulations 1994 ^{F4}...

“deductions working sheet” means any form of record on or in which are to be kept the matters required by this Schedule in connection with an employee’s general earnings and earnings-related contributions ^{F5} ... ^{F6} ...

“earnings-related contributions” means contributions payable under the Act by or in respect of an employed earner in respect of employed earner’s employment;

“employed earner” and “employed earner’s employment” have the same meaning as in the Act;

“employee” means any person in receipt of ^{F7}... earnings;

“employer” means the secondary contributor determined—

- (a) by section 7 of the Act;
- (b) under regulation 5 of, and Schedule 3 to, the Social Security (Categorisation of Earners) Regulations 1978; or
- (c) under regulation 122;

^{F8} ...

^{F9} ...

“Inland Revenue” means any officer of the Board of Inland Revenue;

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“mariner” has the same meaning as in regulation 115;

[^{F10}“non-Real Time Information employer” means an employer other than one within sub-paragraph (4);]

[^{F10}“Real Time Information employer” has the meaning given in sub-paragraph (4);]

^{F11} ...

“tax month” means the period beginning on the 6th day of any calendar month and ending on the 5th day of the following calendar month;

“tax period” means a tax quarter where paragraph 11 has effect, but otherwise means a tax month;

“tax quarter” means the period beginning on 6th April and ending on 5th July, or beginning on 6th July and ending on 5th October, or beginning on 6th October and ending on 5th January, or beginning on 6th January and ending on 5th April;

“voyage period” has the same meaning as in regulation 115;

“year” means tax year;

and other expressions have the same meaning as in the Income Tax Acts.]

(3) For the purposes of paragraphs 7(13), 9, 10, 11 and 22, “primary Class 1 contributions” and “earnings-related contributions” shall, unless the context otherwise requires, include any amount paid on account of earnings-related contributions in accordance with the provisions of regulation 8(6).

[^{F12}(4) The following are Real Time Information employers for the purposes of this Schedule—

- (a) an employer who has entered into an agreement with HMRC to comply with the provisions of this Schedule which are expressed as relating to Real Time Information employers;
- (b) an employer within sub-paragraph (5);

[^{F13}(c); and

- (d) on and after 6th October 2013, all employers.

(5) An employer is within this paragraph if the employer has been given a general or specific direction by the Commissioners for Her Majesty's Revenue and Customs before 6th October 2013 to deliver to HMRC returns under paragraph 21A of this Schedule (real time returns of information about payments of ^{F14}... earnings).]

Textual Amendments

- F2** Sch. 4 para. 1(1)(2) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **30(2)**
- F3** Words in Sch. 4 para. 1(2) inserted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(2)**
- F4** Words in Sch. 4 para. 1 omitted (6.10.2014) by virtue of [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2014 \(S.I. 2014/2397\)](#), regs. 1(1), **3(2)**
- F5** Words in Sch. 4 para. 1(2) omitted (6.4.2014) by virtue of [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **6**
- F6** Words in Sch. 4 para. 1(2) omitted (with effect in accordance with reg. 1(3) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **4(2)**
- F7** Word in Sch. 4 para. 1(2) omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(2)(a)(i)**
- F8** Words in Sch. 4 para. 1(2) omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(2)(a)(ii)**

- F9** Words in Sch. 4 para. 1(2) omitted (1.4.2009) (with effect in accordance with reg. 1(2)(a) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2009 \(S.I. 2009/600\)](#), regs. 1(1), **8(2)**
- F10** Words in Sch. 4 para. 1(2) inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **5(a)**
- F11** Words in Sch. 4 para. 1(2) omitted (6.4.2012) by virtue of [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **20(b)**
- F12** Sch. 4 para. 1(4)-(5) inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **5(b)**
- F13** Sch. 4 para. 1(4)(c) omitted (with application in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **6**
- F14** Word in Sch. 4 para. 1(5) omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(2)(b)**

Multiple employers

^{F15}2.—(1) If—

- (a) an employer has made an election under regulation 98 of the PAYE Regulations to be treated as a different employer in respect of each group of employees specified in the election, and
- (b) no improper purpose notice has been given, or if one has been given it has been withdrawn,

he shall be treated as having made an identical election for the purposes of this Schedule.

(2) In this paragraph an “improper purpose notice” is a notice issued to the employer stating that it appears to the Inland Revenue that the election is made wholly or mainly for an improper purpose within the meaning of regulation 99(2) of the PAYE Regulations.]

Textual Amendments

- F15** Sch. 4 para. 2(2) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **30(3)**

Intermediate employers

3.—(1) Where an employee works for a person who is not his immediate employer, that person shall be treated as the employer for the purpose of this Schedule, and the immediate employer shall furnish the principal employer with such particulars of the employee’s ^{F16}[^{F17}... earnings] as may be necessary to enable the principal employer to comply with the provisions of this Schedule. This is subject to the qualification in sub-paragraph (4).

(2) In this paragraph—

- “the principal employer” means the person specified as the relevant person in the direction referred to in sub-paragraph (4), and
- “the immediate employer” means the person specified as the contractor in that direction.

(3) If the [^{F18}employee’s ^{F16}... earnings] are actually paid to him by the immediate employer—

- (a) the immediate employer shall be notified by the principal employer of the amount of earnings-related contributions which may be deducted when [^{F19}those earnings] are paid to the employee, and may deduct the amount so notified to him accordingly; and

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- (b) the principal employer may make a corresponding deduction on making to the immediate employer the payment out of which [^{F20}those earnings] will be paid.
- (4) This paragraph only applies if a direction has been given by the Board under [^{F21}section 691 of ITEPA 2003] (PAYE: mobile UK workforce)^{F22}.
- (5) Where an employee is paid a sickness payment which by virtue of regulation 23 is not made through the secondary contributor in relation to the employment—
- (a) the person making that payment shall furnish the secondary contributor with such particulars of that payment as may be necessary to enable the secondary contributor to comply with this Schedule; and
- (b) for the purposes only of this Schedule the secondary contributor shall be deemed to have made the sickness payment.

Textual Amendments

- F16** Word in Sch. 4 para. 3 omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(2)(c)**
- F17** Words in Sch. 4 para. 3(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **30(4)(a)**
- F18** Words in Sch. 4 para. 3(3) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **30(4)(b)(i)**
- F19** Words in Sch. 4 para. 3(3)(a) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **30(4)(b)(ii)**
- F20** Words in Sch. 4 para. 3(3)(b) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **30(4)(b)(iii)**
- F21** Words in Sch. 4 para. 3(4) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **30(4)(c)**
- F22** Section 203E was inserted by section 126 of the [Finance Act 1994 \(c. 9\)](#).

Employer's earnings-related contributions

4. If, under this Schedule, a person [^{F23}pays] any earnings-related contributions which, under section 6(4) of the Act ^{F24}, another person is liable to pay, his payment of those contributions shall be made as agent for that other person.

Textual Amendments

- F23** Word in sch. 4 para. 4 substituted (28.11.2002) by [The Social Security \(Contributions\)\(Amendment No. 5\) Regulations 2002 \(S.I. 2002/2929\)](#), regs. 1, 5
- F24** This section was substituted by paragraph 2 of Part I of Schedule 9 to the [Welfare Reform Act](#).

[^{F25}Intermediaries

4A.—(1) Where any payment of ^{F26}[^{F27}... earnings] of an employee is made by an intermediary of the employer, the employer shall be treated, for the purposes of this Schedule other than—

- (a) paragraph 7(1),
- (b) paragraph 7(3)(a),

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(c) the references to a subsequent payment of ^{F26}[^{F27}... earnings] or of monetary earnings in paragraph 7(3) and (8), and

(d) paragraph 7(11),

as making the payment of those ^{F26}[^{F27}... earnings] to the employee.

(2) For the purposes of this paragraph, a payment of ^{F26}[^{F27}... earnings] of an employee is made by an intermediary of the employer if it is made—

(a) either—

(i) by a person acting on behalf of the employer and at the expense of the employer, or

(ii) by a person connected with him, or

(b) by trustees holding property for any persons who include, or class of persons which includes, the employee.

(3) Section 839 of the Taxes Act (connected persons) applies for the purposes of this paragraph.]

Textual Amendments

F25 Sch. 4 para. 4A inserted (28.11.2002) by The Social Security (Contributions)(Amendment No. 5) Regulations 2002 (S.I. 2002/2929), regs. 1, reg. 6

F26 Word in Sch. 4 para. 4A omitted (6.4.2015) by virtue of The Social Security (Miscellaneous Amendments No. 2) Regulations 2015 (S.I. 2015/478), regs. 1(4), **22(2)(c)**

F27 Words in Sch. 4 para. 4A substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **30(5)**

[^{F28}Continuation of proceedings etc.

5. Any legal proceedings or administrative act authorised by or done for the purposes of this Schedule and begun by one Inland Revenue officer may be continued by another officer, and any officer may act for any division or other area.]

Textual Amendments

F28 Sch. 4 para. 5 substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **30(6)**

PART II

DEDUCTION OF EARNINGS-RELATED CONTRIBUTIONS

Deduction of earnings-related contributions

6.—(1) Every employer, on making during any year to any employee any payment of [^{F29}^{F30}... earnings] in respect of which earnings-related contributions are payable, or are treated as payable^{F31}...

(a) shall, if he has not already done so, prepare ^{F32}... a deductions working sheet for that employee, and

(b) may deduct earnings-related contributions in accordance with this Schedule.

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[^{F33}(1A) Where a liability to pay retrospective contributions has arisen in respect of an employee, an employer shall amend the relevant deductions working sheet or where necessary prepare one in respect of that employee.]

(2) Subject to sub-paragraph (3), an employer shall not be entitled to recover any earnings-related contributions paid or to be paid by him on behalf of any employee otherwise than by deduction in accordance with this Schedule.

(3) Sub-paragraph (2) does not apply to secondary Class 1 contributions in respect of which an election has been made jointly by the secondary contributor and the employed earner for the purposes of paragraph 3B(1) of Schedule 1 to the Act (election in respect of transfer of secondary contribution liability on [^{F34}relevant employment income]) ^{F35} if the election provides for the collection of the amount in respect of which liability is transferred.

Textual Amendments

- F29** Words in Sch. 4 para. 6(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **31(2)(a)**
- F30** Word in Sch. 4 para. 6(1) omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(3)(a)(i)**
- F31** Words in Sch. 4 para. 6(1) omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(3)(a)(ii)**
- F32** Words in Sch. 4 para. 6(1)(a) omitted (with effect in accordance with reg. 1(3) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **4(3)**
- F33** Sch. 4 para. 6(1A) inserted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(3)**
- F34** Words in Sch. 4 para. 6(3) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2004 \(S.I. 2004/2096\)](#), regs. 1(1), **7(a)**
- F35** Paragraph 3B was inserted by section 77(2) of the [Child Support, Pensions and Social Security Act 2000 \(c. 19\)](#).

Calculation of deduction

7.—(1) Subject to sub-paragraph (2), on making any payment of ^{F36}[^{F37}... earnings] to the employee, the employer may deduct from those ^{F36}[^{F37}... earnings] the amount of the earnings-related contributions based on those ^{F36}[^{F37}... earnings]^{F38}... which the employee is liable to pay under section 6(4) of the Act [^{F39}(the “section 6(4)(a) amount”)].

(2) Where two or more payments of ^{F36}[^{F37}... earnings] fall to be aggregated, the employer may deduct the amount of the earnings-related contributions based on those ^{F36}[^{F37}... earnings], which are payable by the employee, either wholly from one such payment or partly from one and partly from the other or any one or more of the others.

[^{F40}(3) If the employer—

- (a) on making any payment of ^{F36}[^{F37}... earnings] to an employee does not deduct from those ^{F36}[^{F37}... earnings] the full section 6(4)(a) amount, or
- (b) is treated as making a payment of ^{F36}[^{F37}... earnings] by paragraph 4A,

he may recover, in a case falling within paragraph (a) the amount not so deducted or, in a case falling within paragraph (b) the section 6(4)(a) amount, by deduction from any subsequent payment

of ^{F36}[^{F37}... earnings] made by the employer to that employee during [^{F41}the same year and, where the case falls within paragraph (b) [^{F42}or sub-paragraph 4(a) or (f)]]].

This sub-paragraph is subject to sub-paragraphs (4) and (5).]

[^{F43}(3A) Where an amount has been treated as retrospective earnings paid to or for the benefit of an employee, the employer may deduct the retrospective contributions based on those earnings from any payment of ^{F36}... earnings made by him to that employee—

- (a) after the relevant retrospective contributions regulations come into force, and
- (b) during the same and the following year.

This sub-paragraph is subject to sub-paragraph (5).]

(4) Sub-paragraph (3) applies only where—

- (a) the under-deduction occurred by reason of an error made by the employer in good faith;
- (b) the ^{F36}[^{F37}... earnings] in respect of which the under-deduction occurred are treated as earnings by virtue of regulations made under section 112 of the Act (certain sums to be earnings)^{F44};
- (c) the under-deduction occurred as a result of the cancellation, variation or surrender of the contracting-out certificate issued in respect of the employment in respect of which the payment of ^{F36}[^{F37}... earnings] is made; or
- (d) the ^{F36}[^{F37}... earnings] in respect of which the under-deduction occurred are, by virtue of regulation 23, not paid through the secondary contributor in relation to the employment;
^{F45}...

[^{F46}(e) the employer is treated as making a payment of ^{F36}[^{F37}... earnings] by paragraph 4A][^{F47}; or]

[^{F48}(f) the payment in question is made to a person whose place of employment is outside the United Kingdom and on whose ^{F36}... earnings Class 1 contributions are, but income tax is not, payable.]

(5) For the purposes of sub-paragraphs (3), [^{F49}(3A),] (4), (8) and (11)—

- (a) the amount which by virtue of those sub-paragraphs may be deducted from any payment, or from any payments which fall to be aggregated, shall be an amount in addition to, but not in excess of, the amount deductible from those payments under the other provisions of this Schedule; and
- (b) for the purposes of Part III of this Schedule an additional amount which may be deducted by virtue of those sub-paragraphs [^{F50}; in a case falling within paragraph (a) of any of those sub-paragraphs [^{F51}except sub-paragraph (3A)]] shall be treated as an amount deductible under this Schedule only in so far as the amount of the corresponding under-deduction has not been so treated.

[^{F52}This is subject to the following qualification.]

[^{F53}(5A) Where a payment—

- (a) falls within sub-paragraph (4)(e) [^{F54}or (f)],
- (b) comprises a beneficial interest in [^{F55}securities], or
- (c) is treated as earnings within the meaning of Part 7 of the Income Tax (Earnings and Pensions) Act 2003,

sub-paragraph (5B) applies.

(5B) If this sub-paragraph applies—

- (a) sub-paragraph (5)(a) shall have effect as if “, but not in excess of,” were omitted; and

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(b) sub-paragraph (8) shall have effect as if at the end there were added “or the following year”]

(6) Sub-paragraph (8) applies where an employer makes a payment consisting either solely of non-monetary earnings, or a combination of monetary and non-monetary earnings, to—

- (a) an employee;
- (b) an ex-employee,

and at the time of the payment of those earnings there are no, or insufficient, monetary earnings from which the employer could deduct the [F56section 6(4)(a) amount].

(7) In sub-paragraph (6)(b) “ex-employee” means a person who—

- (a) ceases to be employed by the employer in a particular year (“the cessation year”); and
- (b) receives such earnings from the employer after the cessation of employment but in the cessation year.

[F57(8) Where, in the circumstances specified in sub-paragraph (6), the employer—

- (a) does not deduct from the earnings referred to in that sub-paragraph the full section 6(4)(a) amount, or
- (b) is treated as making a payment of F36[F37 ... earnings] by paragraph 4A,

he may recover, in a case falling within paragraph (a) the amount not so deducted or, in a case falling within paragraph (b) the section 6(4)(a) amount, by deduction from any subsequent payment of monetary earnings to that employee, or ex-employee (as the case may be) during the same year.

This sub-paragraph is subject to sub-paragraph (5).]

(9) Sub-paragraph (11) applies if—

- (a) a person (“the ex-employee”) ceases in a particular tax year (“the cessation year”) to be employed by a particular employer (“the employer”); and
- (b) the ex-employee receives from the employer in the cessation year, after the cessation of employment, earnings in the form of—
 - (i) a beneficial interest in [F58securities],
 - (ii) a conditional interest in [F58securities] or a beneficial interest in convertible [F58securities] treated as earnings under [F59regulation 22(5), (6) or (7)],
 - (iii) any gain on which the ex-employee is chargeable to tax by virtue of [F60section 4(4)(a) of the Act]; and
- (c) at the time of the payment of those earnings there are no monetary earnings, or insufficient monetary earnings, from which the employer could deduct the [F61section 6(4)(a) amount].

F62(10)

F63 ...

(11) Where, in the circumstances specified in sub-paragraph (9), the employer has not deducted, from the earnings referred to in sub-paragraph (9)(b), the full amount of earnings-related contributions which by virtue of this Schedule he is entitled to deduct, he may, without prejudice to sub-paragraph (8) but subject to sub-paragraph (12)(b), recover the amount so under-deducted by deduction from the proceeds of sale of some, or all, of—

- (a) the [F64securities] referred to in of sub-paragraph 9(b)(i) and (ii); or
- (b) the [F64securities] which form the subject matter of the option referred to in sub-paragraph (9)(b)(iii).

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(12) For the purposes of sub-paragraph (11)—

- (a) the whole of the amount under-deducted may be recovered from the proceeds of sale of some, or all, of the ^{F64}[securities] referred to in that sub-paragraph; and
- (b) the employee’s prior written consent to that sale and the recovery of all or part of the under-deduction from the proceeds thereof, shall be required.

(13) Subject to sub-paragraph (14), the employer shall record on the deductions working sheet for that employee the name and national insurance number of the employee, the year to which the working sheet relates, the appropriate category letter in relation to the employee (being the appropriate category letter indicated by the Board) and, in so far as relevant to that category letter, the following particulars regarding every payment of ^{F36}[^{F37}... earnings] which he makes to the employee namely—

- (a) the date of payment;
- (b) the amount of—
 - (i) earnings up to and including the current lower earnings limit where earnings equal or exceed that figure,
 - ^{F65}(ii) earnings which exceed the current lower earnings limit but do not exceed the current primary threshold,]
 - ^{F66}(iii) earnings which exceed the current primary threshold but do not exceed the upper accrual point,]
 - ^{F67}(iiiia) earnings which exceed the upper accrual point but do not exceed the current upper earnings limit,]
 - ^{F68}(iv) the sum of the primary Class 1 contributions and secondary Class 1 contributions payable on all the employee’s earnings, other than contributions recovered under sub-paragraph (3); and
 - (v) the primary Class 1 contributions payable on the employee’s earnings;]
 - (vi) any statutory maternity pay;
 - ^{F69}(vii) any ^{F70}... statutory paternity pay;
 - ^{F71}(viiia)]
 - ^{F72}(viii) any statutory adoption pay^{F73}; and
 - (ix) any statutory shared parental pay.]

The amounts to be recorded under sub-paragraphs (iv) and (v) are the amounts of contributions after deducting the amount of any reduction calculated in accordance with section 41(1) to (1B) ^{F74}... of the Pensions Act (“the reduction”), subject to the following qualification.

If the amount of the reduction exceeds the amount of the contributions in respect of which it falls to be made, the amount to be entered under sub-paragraph (v) is nil.]

^{F75}(c)

(14) Where 2 or more payments of ^{F36}[^{F37}... earnings] fall to be aggregated, the employer, instead of recording under heads (iv) and (v) of sub-paragraph (13)(b) separate amounts in respect of each such payment, shall under each head record a single amount, being the total of the contributions appropriate to the description specified in that head, in respect of the aggregated payments.

(15) When an employer pays ^{F36}[^{F37}... earnings] he shall record under the name of the employee to whom he pays the ^{F36}[^{F37}... earnings]—

- (a) the date of payment;

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(b) the amount of the ^{F36}[^{F37}... earnings], excluding any allowable [^{F76}pension] contributions; and

(c) any allowable [^{F76}pension] contributions;

and retain the record for a period of three years after the end of the tax year in which the ^{F36}[^{F37}... earnings] were paid.

Textual Amendments

- F36** Word in Sch. 4 para. 7 omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(3)(b)**
- F37** Words in Sch. 4 para. 7 substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **31(3)(a)**
- F38** Word in Sch. 4 para. 7(1) omitted (28.11.2002) by [The Social Security \(Contributions\)\(Amendment No. 5\) Regulations 2002 \(S.I. 2002/2929\)](#), regs. 1, 7(2)
- F39** Words in Sch. 4 para. 7(1) inserted (28.11.2002) by [The Social Security \(Contributions\)\(Amendment No. 5\) Regulations 2002 \(S.I. 2002/2929\)](#), regs. 1, 7(2)
- F40** Sch. 4 para. 7(3) substituted (28.11.2002) by [The Social Security \(Contributions\)\(Amendment No. 5\) Regulations 2002 \(S.I. 2002/2929\)](#), regs. 1, 7(3)
- F41** Words in Sch. 4 para. 7(3) substituted (10.6.2003) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2003 \(S.I. 2003/1337\)](#), regs. 1(1), **2(2)**
- F42** Words in Sch. 4 para. 7(3) inserted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **31(3)(b)**
- F43** Sch. 4 para. 7(3A) inserted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(4)(a)**
- F44** Section 112 was amended by paragraph 51(4) of Schedule 1 to the [Employment Rights Act 1996 \(c. 18\)](#) and paragraph 21 of Schedule 3 to the [Transfer Act](#).
- F45** Word in Sch. 4 para. 7(4)(d) omitted (6.4.2004) by virtue of [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **31(3)(c)(i)**
- F46** Sch. 4 para. 7(4)(e) and word inserted (28.11.2002) by [The Social Security \(Contributions\)\(Amendment No. 5\) Regulations 2002 \(S.I. 2002/2929\)](#), regs. 1, 7(4)
- F47** Word in sch. 4 para. 7(4)(e) inserted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **31(3)(ii)**
- F48** Sch. 4 para. 7(4)(f) and word inserted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **31(3)(c)(ii)**
- F49** Word in Sch. 4 para. 7(5) inserted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(4)(b)(i)**
- F50** Words in Sch. 4 para. 7(5)(b) inserted (28.11.2002) by [The Social Security \(Contributions\)\(Amendment No. 5\) Regulations 2002 \(S.I. 2002/2929\)](#), regs. 1, 7(5)
- F51** Words in Sch. 4 para. 7(5)(b) inserted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(4)(b)(ii)**
- F52** Words in Sch. 4 para. 7(5) added (10.6.2003) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2003 \(S.I. 2003/1337\)](#), regs. 1(1), **2(3)**
- F53** Sch. 4 para. 7(5A)-(5B) inserted (10.6.2003) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2003 \(S.I. 2003/1337\)](#), regs. 1(1), **2(4)**
- F54** Words in Sch. 4 para. 7(5A)(a) added (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **31(3)(d)**
- F55** Word in Sch. 4 para. 7(5A)(b) substituted (1.9.2003) by [The Social Security \(Contributions\) \(Amendment No. 5\) Regulations 2003 \(S.I. 2003/2085\)](#), regs. 1, **14(2)**
- F56** Words in Sch. 4 para. 7(6) substituted (28.11.2002) by [The Social Security \(Contributions\)\(Amendment No. 5\) Regulations 2002 \(S.I. 2002/2929\)](#), regs. 1, 7(6)

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- F57** Sch. 4 para. 7(8) substituted (28.11.2002) by The Social Security (Contributions)(Amendment No. 5) Regulations 2002 (S.I. 2002/2929), regs. 1, 7(7)
- F58** Word in Sch. 4 para. 7(9)(b) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **31(3)(e)(i)**
- F59** Words in Sch. 4 para. 7(9)(b)(ii) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **31(3)(e)(ii)**
- F60** Words in Sch. 4 para. 7(9)(b)(iii) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **31(3)(e)(iii)**
- F61** Words in Sch. 4 para. 7(9)(c) substituted (28.11.2002) by The Social Security (Contributions) (Amendment No. 5) Regulations 2002 (S.I. 2002/2929), regs. 1, 7(8)
- F62** Sch. 4 para. 7(10) omitted (6.4.2004) by virtue of The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **31(3)(f)**
- F63** Sch. 4 para. 7(10) revoked (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), 36, **Sch. 1**
- F64** Word in Sch. 4 para. 7(11)(12) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **31(3)(g)**
- F65** Sch. 4 para. 7(13)(b)(ii) substituted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **21(a)**
- F66** Sch. 4 para. 7(13)(b)(iii) substituted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **21(b)**
- F67** Sch. 4 para. 7(13)(b), (iiia) inserted (6.4.2009) by The Social Security (Contributions) (Amendment) Regulations 2009 (S.I. 2009/111), regs. 1, **4(2)(b)**
- F68** Sch. 4 para. 7(13)(b)(iv)-(v) substituted (with effect in accordance with reg. 1(1) of the amending S.I.) by The Social Security (Contributions) (Amendment) Regulations 2003 (S.I. 2003/193), regs. 1(1), **16(2)(a)(i)**
- F69** Sch. 4 para. 7(13)(b)(vii)(viia) substituted for Sch. 4 para. 7(13)(b)(vii) (14.11.2010) by The Social Security (Contributions) (Amendment No. 5) Regulations 2010 (S.I. 2010/2450), regs. 1, **4(2)**
- F70** Word in Sch. 4 para. 7(13)(b)(vii) omitted (5.4.2015) by virtue of The Social Security and Tax Credits (Miscellaneous Amendments) Regulations 2015 (S.I. 2015/175), reg. 2(2)(3), **4(2)(a)** (with reg. 9)
- F71** Sch. 4 para. 7(13)(b) (viia) omitted (5.4.2015) by virtue of The Social Security and Tax Credits (Miscellaneous Amendments) Regulations 2015 (S.I. 2015/175), reg. 2(2)(3), **4(2)(b)** (with reg. 9)
- F72** Sch. 4 para. 7(13)(b)(vii)-(viii) and words inserted (with effect in accordance with reg. 1(1) of the amending S.I.) by The Social Security (Contributions) (Amendment) Regulations 2003 (S.I. 2003/193), regs. 1(1), **16(2)(a)(ii)**
- F73** Sch. 4 para. 7(13)(b)(ix) and word inserted (5.3.2015) by The Social Security and Tax Credits (Miscellaneous Amendments) Regulations 2015 (S.I. 2015/175), reg. 2(2)(3), **4(2)(d)**
- F74** Words in Sch. 4 para. 7(13)(b) omitted (6.4.2012) by virtue of The Social Security (Contributions) (Amendment No. 2) Regulations 2012 (S.I. 2012/817), regs. 1(1), **5** (with reg. 11)
- F75** Sch. 4 para. 7(13)(c) omitted (with effect in accordance with reg. 1(1) of the amending S.I.) by virtue of The Social Security (Contributions) (Amendment) Regulations 2003 (S.I. 2003/193), regs. 1(1), **16(2)(b)**
- F76** Word in Sch. 4 para. 7(15) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **31(3)(h)**

[^{F77}Records where liability transferred from secondary contributor to employed earner: relevant employment income

8. Where an election has been made for the purposes of paragraph 3B(1) of Schedule 1 to the Act (elections about transfer of liability for secondary contributions in respect of relevant employment income), the secondary contributor shall maintain records containing—

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- (a) a copy of any such election;
- (b) a copy of the notice of approval issued by the Inland Revenue under paragraph 3B(1)(b) of that Schedule;
- (c) the name and address of the secondary contributor who has entered into the election;
- (d) the name of the employed earner; and
- (e) the national insurance number allocated to the employed earner.]

Textual Amendments

F77 Sch. 4 para. 8 heading substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2004 \(S.I. 2004/2096\)](#), regs. 1(1), **7(b)**

Certificate of contributions paid

9.—(1) Where the employer is required to give the employee a certificate in accordance with [^{F78}regulation 67 of the PAYE Regulations (information to employees about payments and tax deducted (Form P 60))], the employer shall enter on the certificate, in respect of the year to which the certificate relates—

- (a) the amount of any earnings up to and including the current lower earnings limit where earnings equal or exceed that figure;
- (b) the amount of any earnings in respect of which primary Class 1 contributions were, by virtue of section 6A of the Act^{F79}, treated as having been paid, which exceed the current lower earnings limit but do not exceed the current primary threshold, other than earnings from non-contracted-out employment in respect of which primary Class 1 contributions were, by virtue of that section and regulation 127, treated as having been paid at the reduced rate;
- (c) the amount of any earnings in respect of which primary Class 1 contributions were payable which exceed the current primary threshold but do not exceed the [^{F80}upper accrual point], other than earnings from non-contracted-out employment in respect of which primary Class 1 contributions were payable at the reduced rate;
- [^{F81}(ca) the amount of any earnings in respect of which primary Class 1 contributions were payable which exceed the upper accrual point but do not exceed the current upper earnings limit, other than earnings from non-contracted-out employment in respect of which primary Class 1 contributions were payable at the reduced rate;]
- (d) the amount of the earnings, if any, recorded under paragraphs (b) and (c), above the current lower earnings limit, in respect of which primary Class 1 contributions were payable or, where section 6A of the Act and regulation 127 applies, were treated as having been paid, at the reduced rate;
- (e) the amount of primary Class 1 contributions paid by the employee;
- [^{F82}(f) the amount of statutory maternity pay paid to the employee;
- [^{F83}(g) the amount of ^{F84}... statutory paternity pay paid to the employee;
- ^{F85}(ga) ^{F86}...]
- (h) the amount of statutory adoption pay paid to the employee[^{F87}; and]
- (i) the amount of statutory shared parental pay paid to the employee;]

and shall enter the amounts under [^{F88}paragraph (e)] under the appropriate category letter indicated by the [^{F89}Inland Revenue].

(2) Where the employer is not required to give the employee a certificate in accordance with [F90 regulation 67 of the PAYE Regulations], because no tax has been deducted from the employee's [F91 relevant payments] during the year concerned^{F92} ..., [F93] but the employee—

(a) has paid, or

(b) is treated, by virtue of section 6A of the Act, as having paid,

primary Class 1 contributions in that year, the employer shall nevertheless give the employee such a certificate showing the information referred to in sub-paragraph (1).]

[F94(3) In sub-paragraph (2), “relevant payments” has the meaning given in the PAYE Regulations.]

Textual Amendments

- F78** Words in Sch. 4 para. 9(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **31(4)(a)(i)**
- F79** Section 6A was inserted by paragraph 3 of Part I of Schedule 9 to the Welfare Reform Act.
- F80** Words in Sch. 4 para. 9(1)(c) substituted (6.4.2009) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2009 \(S.I. 2009/111\)](#), regs. 1, **4(3)(a)**
- F81** Sch. 4 para. 9(1)(ca) inserted (6.4.2009) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2009 \(S.I. 2009/111\)](#), regs. 1, **4(3)(b)**
- F82** Sch. 4 para. 9(1)(f)-(h) inserted (with effect in accordance with reg. 1(1) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2003 \(S.I. 2003/193\)](#), regs. 1(1), **16(3)(a)**
- F83** Sch. 4 para. 9(1)(g)(ga) substituted for Sch. 4 para. 9(1)(g) (14.11.2010) by [The Social Security \(Contributions\) \(Amendment No. 5\) Regulations 2010 \(S.I. 2010/2450\)](#), regs. 1, **4(3)**
- F84** Word in Sch. 4 para. 9(1)(g) omitted (5.4.2015) by virtue of [The Social Security and Tax Credits \(Miscellaneous Amendments\) Regulations 2015 \(S.I. 2015/175\)](#), reg. 2(2)(3), **4(3)** (with reg. 9)
- F85** Sch. 4 para. 9(1)(ga) omitted (5.4.2015) by virtue of [The Social Security and Tax Credits \(Miscellaneous Amendments\) Regulations 2015 \(S.I. 2015/175\)](#), reg. 2(2)(3), **4(3)(a)** (with reg. 9)
- F86** Word in Sch. 4 para. 9(1)(ga) omitted (5.4.2015) by virtue of [The Social Security and Tax Credits \(Miscellaneous Amendments\) Regulations 2015 \(S.I. 2015/175\)](#), reg. 2(2)(3), **4(3)(b)** (with reg. 9)
- F87** Sch. 4 para. 9(1)(i) and word inserted (5.3.2015) by [The Social Security and Tax Credits \(Miscellaneous Amendments\) Regulations 2015 \(S.I. 2015/175\)](#), reg. 2(2)(3), **4(3)(c)**
- F88** Words in Sch. 4 para. 9(1) substituted (with effect in accordance with reg. 1(1) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2003 \(S.I. 2003/193\)](#), regs. 1(1), **16(3)(b)**
- F89** Words in Sch. 4 para. 9(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **31(4)(a)(ii)**
- F90** Words in Sch. 4 para. 9(2) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **31(4)(b)(i)**
- F91** Words in Sch. 4 para. 9(2) substituted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **22(a)**
- F92** Words in Sch. 4 para. 9(2) omitted (6.4.2010) by virtue of [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2010 \(S.I. 2010/721\)](#), regs. 1(2), **10**
- F93** Words in Sch. 4 para. 9(2) substituted (10.6.2003) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2003 \(S.I. 2003/1337\)](#), regs. 1(1), **3(2)**
- F94** Sch. 4 para. 9(3) inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **22(b)**

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PART III

PAYMENT AND RECOVERY OR EARNINGS-RELATED CONTRIBUTIONS, CLASS 1A CONTRIBUTIONS AND CLASS 1B CONTRIBUTIONS, ETC.

Payment of earnings-related contributions monthly by employer

10.—(1) Subject to [^{F95}sub-paragraph (1A) and] paragraph 11 and 15(8), the employer shall pay the amount specified in sub-paragraph (2) to the [^{F96}Inland Revenue] within 14 days [^{F97}or, if payment is made by an approved method of electronic communications in respect of earnings paid after 5th April 2004, within 17 days] of the end of every ^{F98}... tax month.

[^{F99}(1A) This paragraph does not apply in respect of amounts of retrospective earnings.]

(2) The amount specified in this sub-paragraph is the total amount of earnings-related contributions due in respect of ^{F100}[^{F101}... earnings] paid by the employer in that ^{F102}... tax month, [^{F103}(and, where required, reported under paragraph 21A or 21D)] other than amounts deductible under paragraph 7(2) which he did not deduct and amounts which he deducted under the Compensation of Employers Regulations^{F104}....

(3) For the purposes of sub-paragraph (2), if two or more payments of ^{F100}[^{F105}... earnings] fall to be aggregated, the employer shall be treated as having deducted from the last of those payments the amount of any earnings-related contributions deductible from those payments which he did not deduct from the earlier payments.

[^{F106}(3A) The amount specified in sub-paragraph (2) must be adjusted to take account of errors corrected under paragraph 21E(5), other than in cases where paragraph 21E(4) applies [^{F107}, or failures rectified under paragraph 21EA(2)].]

[^{F108}(4) Where the amount specified in sub-paragraph (2) has been adjusted to take account of an error as provided for in sub-paragraph (3A) and the value of the adjustment is a negative amount, that amount is treated as having been paid to HMRC—

- (a) 17 days after the end of the tax month in which the correction is made if payment is made using an approved method of electronic communications, and
- (b) 14 days after the end of the tax month in which the correction is made, in any other case.]

Textual Amendments

- F95** Words in Sch. 4 para. 10(1) inserted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(5)(a)**
- F96** Words in Sch. 4 para. 10(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(2)(a)(i)**
- F97** Words in Sch. 4 para. 10(1) inserted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(2)(a)(ii)**
- F98** Word in Sch. 4 para. 10(1) omitted (6.4.2004) by virtue of [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(2)(a)(iii)**
- F99** Sch. 4 para. 10(1A) inserted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(5)(b)**
- F100** Word in Sch. 4 para. 10 omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(a)**
- F101** Words in Sch. 4 para. 10(2) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(2)(b)(i)**

F102	Word in Sch. 4 para. 10(2) omitted (6.4.2004) by virtue of The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), 32(2)(b)(ii)
F103	Words in Sch. 4 para. 10(2) inserted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), 6(a)
F104	Words in Sch. 4 para. 10(2) omitted (6.4.2012) by virtue of The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), 23
F105	Words in Sch. 4 para. 10(3) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), 32(2)(c)
F106	Sch. 4 para. 10(3A) inserted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), 6(b)
F107	Words in Sch. 4 para. 10(3A) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Contributions) (Amendment and Application of Schedule 38 to the Finance Act 2012) Regulations 2013 (S.I. 2013/622), regs. 1, 7
F108	Sch. 4 para. 10(4) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Contributions) (Amendment No. 3) Regulations 2014 (S.I. 2014/1016), regs. 1(1), 2(a)

Payments of earnings-related contributions quarterly by employer

11.—(1) Subject to ^{F109}sub-paragraph (1A) and] paragraph 15(8), the employer shall pay the amount specified in sub-paragraph (2) to the ^{F110}Inland Revenue] within 14 days of the end of every ^{F111}... tax quarter ^{F112}or, if payment is made by an approved method of electronic communications in respect of earnings paid after 5th April 2004, within 17 days of the end of every tax quarter] where—

- (a) the employer has reasonable grounds for believing that the condition specified in sub-paragraph (4) applies and chooses to pay the amount specified in sub-paragraph (2) quarterly; or

^{F113}(b)

^{F114}(1A) This paragraph does not apply in respect of amounts of retrospective earnings.]

(2) The amount specified in this sub-paragraph is the total amount of earnings-related contributions due in respect of ^{F115}^{F116}... earnings] paid by the employer in that ^{F117}... tax quarter, ^{F118}(and, where required, reported under paragraph 21A or 21D)] other than amounts deductible under paragraph 7(2) which he did not deduct and amounts which he deducted under the Compensation of Employers Regulations^{F119}....

(3) For the purposes of sub-paragraph (2), where two or more payments ^{F120}of ^{F115}... earnings] fall to be aggregated, the employer shall be deemed to have deducted from the last of those payments the amount of any earnings-related contributions deductible from those payments which he did not deduct from the earlier payments.

^{F121}(3A) The amount specified in sub-paragraph (2) must be adjusted to take account of errors corrected under paragraph 21E(5), other than in cases where paragraph 21E(4) applies^{F122}, or failures rectified under paragraph 21EA(2)].]

^{F123}(3B) Where the amount specified in sub-paragraph (2) has been adjusted to take account of an error as provided for in sub-paragraph (3A) and the value of the adjustment is a negative amount, that amount is treated as having been paid to HMRC—

- (a) 17 days after the end of the tax quarter in which the correction is made if payment is made using an approved method of electronic communications, and
- (b) 14 days after the end of the tax quarter in which the correction is made, in any other case.]

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^{F124}(4) The condition specified in this sub-paragraph is that for ^{F125}tax months] falling within the current year, the average monthly amount found by the formula below will be less than £1500.

The formula is—

$$^{\text{F126}}(\text{N} + \text{P} + \text{L} + \text{S}) - (\text{SP} + \text{CD})]$$

The expressions used in the formula have the following values.

N is the amount which would be payable to the ^{F127}Inland Revenue] under the Social Security Contributions and Benefits Act 1992 and these Regulations but disregarding—

(a) any amount of secondary Class 1 contributions in respect of which liability has been transferred to the employed earner by an election made jointly by the employed earner and the secondary contributor for the purpose of paragraph 3B(1) of Schedule 1 to the Act (transfer of liability to be borne by the earner); and

(aa) ^{F128}any amount payable in respect of retrospective earnings;]

(c) ^{F129}...

^{F130}“P” is the amount which would be payable to HMRC under regulation ^{F131}67G or] 68 of the PAYE Regulations but disregarding any amount payable in respect of retrospective employment income (within the meaning of regulation 2 of those Regulations);]

L is the amount which would be payable to the ^{F127}Inland Revenue] under ^{F132}regulation 54(1) of the Education (Student Loans) (Repayment) Regulations 2009 (payment of repayments deducted to HMRC)] if the reduction referred to in paragraph (3) of that regulation ^{F133}...were disregarded.

S is the sum of the amounts which the employer would be liable to deduct, under section 559 of the Taxes Act and the Income Tax (Sub-contractors in the Construction Industry) Regulations 1993, from payments made by him.

^{F134}...

SP is the amount—

(a) recoverable by the employer from ^{F135}the Inland Revenue], or

(b) deductible from amounts for which the employer would otherwise be accountable to ^{F135}the Inland Revenue],

in respect of payments to his employees by way of ^{F136}... statutory maternity pay, ^{F137}^{F138}statutory paternity pay][^{F139}, statutory shared parental pay]] and statutory adoption pay.

CD is the amount which would be deducted by others from sums due to the employer, in his position as a sub-contractor, under section 559 of the Taxes Act.]

Textual Amendments

F109 Words in Sch. 4 para. 11(1) inserted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(6)(a)**

F110 Words in Sch. 4 para. 11(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(3)(a)(i)**

F111 Word in Sch. 4 para. 11(1) omitted (6.4.2004) by virtue of [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(3)(a)(ii)**

- F112** Words in Sch. 4 para. 11(1) inserted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(3)(a)(iii)**
- F113** Sch. 4 para. 11(1)(b) omitted (6.4.2004) by virtue of The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(3)(a)(iv)**
- F114** Sch. 4 para. 11(1A) inserted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(6)(b)**
- F115** Word in Sch. 4 para. 11 omitted (6.4.2015) by virtue of The Social Security (Miscellaneous Amendments No. 2) Regulations 2015 (S.I. 2015/478), regs. 1(4), **22(4)(a)**
- F116** Words in Sch. 4 para. 11(2) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(3)(b)(i)**
- F117** Word in Sch. 4 para. 11(2) omitted (6.4.2004) by virtue of The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(3)(b)(ii)**
- F118** Words in Sch. 4 para. 11(2) inserted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **7(a)**
- F119** Words in Sch. 4 para. 11(2) omitted (6.4.2012) by virtue of The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **24**
- F120** Words in Sch. 4 para. 11(3) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(3)(c)**
- F121** Sch. 4 para. 11(3A) inserted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **7(b)**
- F122** Words in Sch. 4 para. 11(3A) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Contributions) (Amendment and Application of Schedule 38 to the Finance Act 2012) Regulations 2013 (S.I. 2013/622), regs. 1, **8**
- F123** Sch. 4 para. 11(3B) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Contributions) (Amendment No. 3) Regulations 2014 (S.I. 2014/1016), regs. 1(1), **2(b)**
- F124** Sch. 4 para. 11(4) substituted (with effect in accordance with reg. 1(1) of the amending S.I.) by The Social Security (Contributions) (Amendment) Regulations 2003 (S.I. 2003/193), regs. 1(1), **16(4)**
- F125** Words in Sch. 4 para. 11(4) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(3)(d)(i)**
- F126** Words in Sch. 4 para. 11(4) substituted (6.4.2006) by The Social Security (Contributions) (Amendment No. 2) Regulations 2006 (S.I. 2006/576), regs. 1, **9(2)(a)**
- F127** Words in Sch. 4 para. 11(4) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(3)(d)(ii)**
- F128** Sch. 4 para. 11(4)(aa) inserted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(6)(c)(i)**
- F129** Words in Sch. 4 para. 11(4) omitted (6.4.2006) by virtue of The Social Security (Contributions) (Amendment No. 2) Regulations 2006 (S.I. 2006/576), regs. 1, **9(2)(b)**
- F130** Words in Sch. 4 para. 11(4) substituted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(6)(c)(ii)**
- F131** Words in Sch. 4 para. 11(4) inserted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **7(c)**
- F132** Words in Sch. 4 para. 11(4) substituted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **25**
- F133** Words in Sch. 4 para. 11(4) omitted (6.4.2006) by virtue of The Social Security (Contributions) (Amendment No. 2) Regulations 2006 (S.I. 2006/576), regs. 1, **9(2)(d)**
- F134** Words in Sch. 4 para. 11(4) omitted (6.4.2006) by virtue of The Social Security (Contributions) (Amendment No. 2) Regulations 2006 (S.I. 2006/576), regs. 1, **9(2)(e)**
- F135** Words in Sch. 4 para. 11(4) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(3)(d)(iv)**
- F136** Words in Sch. 4 para. 11(4) omitted (6.10.2014) by virtue of The Social Security (Contributions) (Amendment No. 4) Regulations 2014 (S.I. 2014/2397), regs. 1(1), **3(3)**

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- F137** Words in Sch. 4 para. 11(4) substituted (14.11.2010) by [The Social Security \(Contributions\) \(Amendment No. 5\) Regulations 2010 \(S.I. 2010/2450\)](#), regs. 1, **4(4)**
- F138** Words in Sch. 4 para. 11(4) substituted (5.4.2015) by [The Social Security and Tax Credits \(Miscellaneous Amendments\) Regulations 2015 \(S.I. 2015/175\)](#), reg. 2(2)(3), **4(4)(a)** (with reg. 9)
- F139** Words in Sch. 4 para. 11(4) inserted (5.3.2015) by [The Social Security and Tax Credits \(Miscellaneous Amendments\) Regulations 2015 \(S.I. 2015/175\)](#), reg. 2(2)(3), **4(4)(b)**

[^{F140}Payments to and recoveries from HMRC for each tax period by Real Time Information employers: returns under paragraph 21E(6) [^{F141}or 21EA(3)]

11ZA.—(1) This paragraph applies if, during any tax period, an employer makes a return under paragraph 21E(6) (returns under paragraph 21A and 21D: amendments) other than by virtue of paragraph 21E(4)[^{F142}, or paragraph 21EA(3) (failure to make a return under paragraph 21A or 21D of Schedule 4)].

(2) The amount specified in paragraph 10(2) or, as the case may be, 11(2) for the final tax period in the year covered by the return is to be adjusted to take account of the information in the return.

(3) If the value of the adjustment required by paragraph (2) is a negative amount, the employer may recover that amount—

- (a) by setting it off against the amount the employer is liable to pay under paragraph 10(2) or, as the case may be, 11(2) for the tax period the return is made in; or
- (b) from the Commissioners for Her Majesty's Revenue and Customs.

[
^{F143}(3A) Where sub-paragraph (3) applies the negative amount is treated as having been paid to HMRC—

- (a) 17 days after the end of the final tax period in the year covered by the return where payment is made using an approved method of electronic communication, and
- (b) 14 days after the end of the final tax period in the year covered by the return in any other case.]

(4) But paragraph (3) does not apply in relation to primary Class 1 contributions in a case where those contributions were deducted in error and the excess deduction has not been refunded to the employee.]

Textual Amendments

- F140** Sch. 4 para. 11ZA inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **8**
- F141** Words in Sch. 4 para. 11ZA heading inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **9(2)**
- F142** Words in Sch. 4 para. 11ZA(1) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **9(1)**
- F143** Sch. 4 para. 11ZA(3A) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2014 \(S.I. 2014/1016\)](#), regs. 1(1), **2(c)**

[^{F144}Payments of earnings-related contributions in respect of retrospective earnings]

11A.—(1) This paragraph applies where there are retrospective earnings in respect of which contributions (whether primary or secondary contributions) are payable.

(2) The employer shall pay the contributions referred to in sub-paragraph (1) to HMRC within 14 days or, if payment is made in respect of the current year by an approved method of electronic communications, 17 days of the end of the tax month immediately following the tax month in which the relevant retrospective contributions regulations came into force.]

Textual Amendments

F144 Sch. 4 para. 11A inserted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(7)**

Payment of earnings-related contributions by employer (further provisions)

12.—[^{F145}(1) The Inland Revenue shall give a receipt to the employer for the total amount paid under paragraph [^{F146}10, 11 or 11A] if so requested, but if a receipt is given for the total amount of earnings-related contributions and any tax paid at the same time, a separate receipt need not be given for earnings-related contributions.]

(2) Subject to sub-paragraph (3), if the employer has paid to the [^{F147}Inland Revenue] on account of earnings-related contributions under paragraph [^{F146}10, 11 or 11A] an amount which he was not liable to pay, or which has been refunded in accordance with regulation 2 of the Social Security (Refunds) (Repayment of Contractual Maternity Pay) Regulations 1990 (refunds of contributions)^{F148}, the amounts which he is liable to pay subsequently in respect of other payments of ^{F149}[^{F150}... earnings] made by him during the same year shall be reduced by the amount overpaid, so however that if there was a corresponding over-deduction from any payment of ^{F149}[^{F150}... earnings] to an employee, this paragraph shall apply only in so far as the employer has reimbursed the employee for that over-deduction.

(3) Sub-paragraph (2) applies only if—

- (a) the over-deduction occurred by reason of an error by the employer in good faith;
- (b) the over-deduction occurred as a result of the employment in respect of which the payment on account of earnings-related contributions is made being or, as the case may be, becoming contracted-out employment; or
- (c) a refund has been made under regulation 2 of the Social Security (Refunds) (Repayment of Contractual Maternity Pay) Regulations 1990.

Textual Amendments

F145 Sch. 4 para. 12(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(4)(a)**

F146 Words in Sch. 4 para. 12 substituted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(8)**

F147 Words in Sch. 4 para. 12(2) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(4)(b)(i)**

F148 S.I. 1990/536.

F149 Word in Sch. 4 para. 12(2) omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(a)**

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F150 Words in Sch. 4 para. 12(2) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(4)(b)(ii)**

Payment of Class 1B contributions

13.—(1) A person who is liable to pay a Class 1B contribution (“the employer”), shall pay that Class 1B contribution to the [^{F151}Inland Revenue] not later than 19th October [^{F152}or, if payment is made by an approved method of electronic communications in respect of earnings paid after 5th April 2004, not later than 22nd October] in the year immediately following the end of the year in respect of which that contribution is payable.

(2) If the employer has paid to the [^{F151}Inland Revenue] under this paragraph an amount in respect of Class 1B contributions which he was not liable to pay, he shall be entitled to deduct the amount overpaid from any payment in respect of secondary earnings-related contributions which he is liable to pay subsequently to the [^{F151}Inland Revenue] under paragraph 10 or 11 for any ^{F153}... tax period in the same year.

Textual Amendments

F151 Words in Sch. 4 para. 13 substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(5)(b)**

F152 Words in Sch. 4 para. 13(1) inserted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(5)(a)**

F153 Word in Sch. 4 para. 13(2) omitted (6.4.2004) by virtue of [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(5)(c)**

Employer failing to pay earnings-related contributions

14.—(1) If within [^{F154}17 days] of the end of any ^{F155}... tax period [^{F156}a non-Real Time Information employer] has paid no amount of earnings-related contributions to the [^{F157}Inland Revenue] under paragraph 10 or 11 for that ^{F155}... tax period and the [^{F157}Inland Revenue] is unaware of the amount, if any, which the employer is liable so to pay, the [^{F157}Inland Revenue] may give notice to the employer requiring him to render, within 14 days, a return in the prescribed form showing the amount of earnings-related contributions which the employer is liable to pay to the [^{F157}Inland Revenue] under that paragraph in respect of the ^{F155}... tax period in question.

(2) Where a notice given by the [^{F157}Inland Revenue] under sub-paragraph (1) extends to two or more consequent income tax periods, the provisions of this Schedule shall have effect as if those ^{F155}... tax periods were one ^{F155}... tax period.

(3) If the [^{F157}Inland Revenue] is not satisfied that an amount of earnings-related contributions paid ^{F158}... under paragraph 10 or 11 for any ^{F155}... tax period is the full amount which the employer is liable to pay ^{F158}..., the [^{F157}Inland Revenue] may give a notice under sub-paragraph (1) despite the payment of that amount.

Textual Amendments

F154 Words in Sch. 4 para. 14(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(6)(a)**

- F155** Word in Sch. 4 para. 14 omitted (6.4.2004) by virtue of The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(6)(c)**
- F156** Words in Sch. 4 para. 14(1) substituted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **9**
- F157** Words in Sch. 4 para. 14 substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(6)(b)**
- F158** Words in Sch. 4 para. 14(3) omitted (6.4.2004) by virtue of The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(6)(d)**

Specified amount of earnings-related contributions payable by the employer

15.—(1) If after [^{F159}17 days] following the end of any ^{F160}... tax period the employer has paid no amount of earnings-related contributions to [^{F161}HMRC] under paragraph 10 or 11 for that ^{F160}... tax period and there is reason to believe that the employer is liable to pay such contributions, [^{F161}HMRC], upon consideration of the employer's record of past payments [^{F162}whether of earnings-related contributions or of combined amounts,] may to the best of [^{F163}their judgment] specify the amount of earnings-related contributions [^{F164}or of a combined amount] which [^{F165}they consider] the employer is liable to pay and give notice to him of that amount.

[^{F166}(1A) For the purposes of this paragraph “combined amount” is an amount which includes earnings-related contributions due under these regulations and one or more of the following—

- (a) tax due under the PAYE Regulations;
- (b) amounts due under the Income Tax (Construction Industry Scheme) Regulations 2005;
- (c) payments of repayments of student loans due under the [^{F167}Education (Student Loans) (Repayment) Regulations 2009].]

[^{F168}(1B) In arriving at an amount under paragraph (1), HMRC may also take into account any returns made by the employer under this Schedule in the tax period in question or earlier tax periods.]

(2) If, on the expiration of the period of 7 days allowed in the notice, the specified amount ^{F169}... or any part thereof is unpaid, the amount so unpaid—

- (a) shall be treated for the purposes of this Schedule as an amount of earnings-related contributions [^{F170}or as including an amount of earnings-related contributions] which the employer was liable to pay for that ^{F160}... tax period in accordance with paragraph 10 or 11; and
- (b) may be certified by [^{F171}HMRC].

(3) The provisions of sub-paragraph (2) shall not apply if, during the period allowed in the notice, the employer pays to [^{F172}HMRC] the full amount of earnings-related contributions which the employer is liable to pay under paragraph 10 or 11 for that ^{F160}... tax period, or the employer satisfies [^{F172}HMRC] that no amount of such contributions is due.

(4) The production of a certificate such as is mentioned in sub-paragraph (2) shall, until the contrary is established, be sufficient evidence that the employer is liable to pay to [^{F173}HMRC] the amount shown in it; and any document purporting to be such a certificate as aforesaid shall be deemed to be such a certificate until the contrary is proved.

Paragraph 16 shall apply, with any necessary modifications, to the amount shown in the certificate.

(5) Where the employer has paid no amount of earnings-related contributions under paragraph 10 or 11 for any ^{F160}... tax periods, a notice may be given by [^{F174}HMRC] under sub-paragraph (1)

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which extends to two or more consecutive ^{F160}... tax periods, and this Schedule shall have effect as if those ^{F160}... tax periods were the latest ^{F160}... tax period specified in the notice.

(6) A notice may be given by [^{F175}HMRC] under sub-paragraph (1) notwithstanding that an amount of earnings-related contributions has been paid ^{F176}... by the employer under paragraph 10 or 11 for any ^{F160}... tax period, if, after seeking the employer's explanation as to the amount of earnings-related contributions paid, [^{F175}HMRC] is not satisfied that the amount so paid is the full amount which the employer is liable to pay ^{F176}... for that period, and this paragraph shall have effect accordingly, save that sub-paragraph (2) shall not apply if, during the period allowed in the notice, the employer satisfies [^{F175}HMRC] that no further amount of earnings-related contributions is due for the relevant ^{F160}... tax period.

(7) Where, during the period allowed in a notice given by [^{F177}HMRC] under sub-paragraph (1), the employer claims, but does not satisfy [^{F177}HMRC], that the payment ^{F178}... made in respect of any ^{F160}... tax period specified in the notice is [^{F179}or includes] the full amount of earnings-related contributions he is liable to pay to [^{F177}HMRC] for that period, the employer may require [^{F177}HMRC] to inspect the employer's documents and records as if [^{F177}HMRC] had called upon the employer to produce those documents and records in accordance with [^{F180}Schedule 36 to the Finance Act 2008 (information and inspection powers) and the provisions of paragraph 26A] shall apply in relation to that inspection, and the notice given by [^{F177}HMRC] under sub-paragraph (1) shall be disregarded in relation to any subsequent time.

(8) Notwithstanding anything in this paragraph, if the employer pays any amount of earnings-related contributions certified by [^{F181}HMRC] under it [^{F182}whether separately or as part of a combined amount] and that amount exceeds the amount which he would have been liable to pay in respect of that ^{F160}... tax period apart from this paragraph, he shall be entitled to set off such excess against any amount which he is liable to pay to [^{F181}HMRC] under paragraph 10 or 11 for any subsequent ^{F160}... tax period.

(9) If, after the end of the year, the employer renders the return required by paragraph 22(1) and the total earnings-related contributions he has paid in respect of that year in accordance with this Schedule exceeds the total amount of such contributions due for that year, any excess not otherwise recovered by set-off shall be repaid.

Textual Amendments

- F159** Words in Sch. 4 para. 15(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(7)(a)(i)**
- F160** Word in Sch. 4 para. 15 omitted (6.4.2004) by virtue of [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(7)(c)**
- F161** Word in Sch. 4 para. 15(1) substituted (6.4.2008) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2008 \(S.I. 2008/636\)](#), regs. 1(3)(b), **4(1)(a)**
- F162** Words in Sch. 4 para. 15(1) inserted (6.4.2008) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2008 \(S.I. 2008/636\)](#), regs. 1(3)(b), **4(1)(b)**
- F163** Words in Sch. 4 para. 15(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(7)(a)(ii)**
- F164** Words in Sch. 4 para. 15(1) inserted (6.4.2008) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2008 \(S.I. 2008/636\)](#), regs. 1(3)(b), **4(1)(c)**
- F165** Words in Sch. 4 para. 15(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(7)(a)(iii)**

- F166** Sch. 4 para. 15(1A) inserted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(2)**
- F167** Words in Sch. 4 para. 15(1A)(c) substituted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **26(a)**
- F168** Sch. 4 para. 15(1B) inserted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **10**
- F169** Words in Sch. 4 para. 15(2) omitted (6.4.2008) by virtue of The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(3)(a)**
- F170** Words in Sch. 4 para. 15(2)(a) inserted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(3)(b)**
- F171** Word in Sch. 4 para. 15(2)(b) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(3)(c)**
- F172** Word in Sch. 4 para. 15(3) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(4)**
- F173** Word in Sch. 4 para. 15(4) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(5)**
- F174** Word in Sch. 4 para. 15(5) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(6)**
- F175** Word in Sch. 4 para. 15(6) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(7)**
- F176** Words in Sch. 4 para. 15(6) omitted (6.4.2004) by virtue of The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(7)(d)**
- F177** Word in Sch. 4 para. 15(7) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(8)(a)**
- F178** Words in Sch. 4 para. 15(7) omitted (6.4.2008) by virtue of The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(8)(b)**
- F179** Words in Sch. 4 para. 15(7) inserted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(8)(c)**
- F180** Words in Sch. 4 para. 15(7) substituted (1.4.2009) (with effect in accordance with reg. 1(2)(a) of the amending S.I.) by The Social Security (Contributions) (Amendment No. 3) Regulations 2009 (S.I. 2009/600), regs. 1(1), **8(3)**
- F181** Word in Sch. 4 para. 15(8) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(9)(a)**
- F182** Words in Sch. 4 para. 15(8) inserted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **4(9)(b)**

Recovery of earnings-related contributions or Class 1B contributions

16.—(1) The ^{F183}... Tax Acts and any regulations under^{F184}^{F185} section 684 of ITEPA 2003 (PAYE regulations)] relating to the recovery of tax shall apply to the recovery of—

- (a) any amount of earnings-related contributions which an employer is liable to pay [^{F186}HMRC] for any ^{F183}... tax period in accordance with paragraph 10 or 11 or which he is treated as liable to [^{F186}HMRC][^{F187} whether separately or as part of a combined amount] for any ^{F183}... tax period under paragraph 15; or
- (b) any amount of Class 1B contributions which an employer is liable to pay to the [^{F186}HMRC] in respect of any year in accordance with paragraph 13(1),

as if each of those amounts had been charged to tax by way of an assessment on the employer [^{F188}as employment income under ITEPA 2003].

Status: Point in time view as at 06/04/2015.

Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4. (See end of Document for details)

(2) Sub-paragraph (1) is subject to the qualification that, in the application to any proceedings taken, by virtue of this paragraph, of any of the relevant provisions limiting the amount which is recoverable in those proceedings, there shall be disregarded any [^{F189}other component of a combined amount] which may, by virtue of sub-paragraphs (3) to (5), be included as part of the cause of action or matter of complaint in those proceedings.

(3) Proceedings may be brought for the recovery of the total amount of—

- (a) earnings-related contributions which the employer is liable to pay to [^{F190}HMRC] for any ^{F183}... tax period;
- (b) Class 1B contributions which the employer is liable to pay to [^{F190}HMRC] in respect of any year;
- (c) a combination of those classes of contributions as specified in heads (a) and (b); or
- (d) any of the contributions as specified in heads (a), (b), or (c) in addition to any [^{F191}other component of a combined amount] which the employer is liable to pay to [^{F190}HMRC] for any ^{F183}... tax period,

without specifying the respective amount of those contributions and of [^{F192}other component of a combined amount], or distinguishing the amounts which the employer is liable to pay in respect of each employee and without specifying the employees in question.

(4) For the purposes of—

- (a) proceedings under section 66 of the Taxes Management Act 1970 ^{F193} (including proceedings under that section as applied by the provisions of this paragraph);
- (b) summary proceedings (including in Scotland proceedings in the sheriff court or in the sheriff's small debt court),

the total amount of contributions, in addition to any [^{F194}other component of the combined amount] which the employer is liable to pay to [^{F195}HMRC] for any ^{F183}... tax period, referred to in sub-paragraph (3) shall, subject to sub-paragraph (2), be one cause of action or one matter of complaint.

(5) Nothing in sub-paragraph (3) or (4) shall prevent the bringing of separate proceedings for the recovery of each of the several amounts of—

- (a) earnings-related contributions which the employer is liable to pay for any ^{F183}... tax period in respect of each of his several employees;
- (b) Class 1B contributions which the employer is liable to pay in respect of any year in respect of each of his several employees; ^{F196}...
- (c) tax which the employer is liable to pay for any ^{F183}... tax period in respect of each of his several employees.

^{F197}(d) amounts due under the Income Tax (Construction Industry Scheme) Regulations 2005; or

- (e) payments of repayments of student loans due under the [^{F198}Education (Student Loans) (Repayment) Regulations 2009].]

^{F199}(6) For the purposes of this paragraph “combined amount” has the meaning given in paragraph 15(1A).]

Textual Amendments

F183 Word in Sch. 4 para. 16 omitted (6.4.2004) by virtue of [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(8)(c)**

- F184** Section 203 was amended by section 128 of, and paragraph 4 of Schedule 3 to, the Finance Act 1988 (c. 39), **section 45(3)** of the Finance Act 1989 (c. 26), **paragraph 38** of Part II of Schedule 19 and item (23) of Part V of Schedule 26 to, the Finance Act 1994 (c. 9) and section 119 of the Finance Act 1998 (c. 36).
- F185** Words in Sch. 4 para. 16(1) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(8)(a)(i)**
- F186** Word in Sch. 4 para. 16(1) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **5(1)(a)**
- F187** Words in Sch. 4 para. 16(1)(a) inserted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **5(1)(b)**
- F188** Words in Sch. 4 para. 16(1) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(8)(a)(ii)**
- F189** Words in Sch. 4 para. 16(2) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **5(2)**
- F190** Word in Sch. 4 para. 16(3) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **5(3)(c)**
- F191** Words in Sch. 4 para. 16(3)(d) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **5(3)(a)**
- F192** Words in Sch. 4 para. 16(3) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **5(3)(b)**
- F193** 1970 c. 9. Section 66 was amended by Part II of the Schedule 1 to the County Courts (Northern Ireland) Order 1980 (S.I. 1980/397 (N.I. 3)), **section 57(2)** of the Finance Act 1984 (c. 43) and the Schedule to the High Court and County Courts Jurisdiction Order 1991 (S.I. 1991/724).
- F194** Words in Sch. 4 para. 16(4) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **5(4)(a)**
- F195** Word in Sch. 4 para. 16(4) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **5(4)(b)**
- F196** Word in Sch. 4 para. 16(5)(b) omitted (6.4.2008) by virtue of The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **5(5)(a)**
- F197** Sch. 4 para. 16(5)(d)(e) added (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **5(5)(b)**
- F198** Words in Sch. 4 para. 16(5)(e) substituted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **26(b)**
- F199** Sch. 4 para. 16(6) added (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **5(6)**

Interest on overdue earnings-related contributions or Class 1B contributions

17.—(1) [^{F200}Subject to [^{F201}sub-paragraph (4A) and] paragraph 21], where, in relation to the year ended 5th April 1993 or any subsequent year, an employer has not—

^{F202}(a)

(b) paid a Class 1B contribution by 19th October [^{F203}or, if payment is made by an approved method of electronic communications in respect of earnings paid after 5th April 2004, not later than 22nd October] next following the year in respect of which it was due,

any contribution not so paid shall carry interest at the rate applicable under paragraph 6(3) of Schedule 1 to the Act from the reckonable date until payment.

(2) Interest payable under this paragraph shall be recoverable as if it were an earnings-related contribution or a Class 1B contribution, as the case may be, in respect of which an employer is liable under paragraph 10, 11, or 13 to pay to [^{F204}HMRC].

(3) For the purposes of this paragraph—

Status: Point in time view as at 06/04/2015.

Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4. (See end of Document for details)

- (a) “employer” means, in relation to a Class 1B contribution, the person liable to pay such a contribution in accordance with section 10A of the Act^{F205};
- (b) “the reckonable date” means, in relation to—
 - ^{F206}(i)
 - (ii) a Class 1B contribution, the 19th October [^{F207}or, if payment was made by an approved method of electronic communications in respect of earnings paid after 5th April 2004, the 22nd October] next following the year in respect of which it was due.
 - [^{F208}(iii) a contribution payable in respect of retrospective earnings relating to a tax year which is closed at the time that the relevant retrospective contributions regulations come into force, the 14th day after the end of the tax month immediately following the tax month in which those regulations came into force.]

(4) A contribution to which sub-paragraph (1) applies shall carry interest from the reckonable date even if the date is a non-business day within the meaning of section 92 of the Bills of Exchange Act 1882^{F209}.

[^{F210}(4A) Where an employer has not paid contributions in respect of retrospective earnings relating to a closed tax year by the date set out in paragraph 11A, any contribution not so paid shall carry interest at the rate applicable under paragraph 6(3) of Schedule 1 to the Act from the reckonable date until payment.]

[^{F211}(5) A certificate of [^{F212}HMRC] that, to the best of their knowledge and belief, any amount of interest payable under this paragraph has not been paid by an employer or employee is sufficient evidence that the amount mentioned in the certificate is unpaid and due to be paid, and any document purporting to be such a certificate shall be presumed to be a certificate until the contrary is proved.]

[^{F213}(6) HMRC may prepare a certificate certifying the total amount of interest payable in respect of the whole or any component of a combined amount without specifying what component of the combined amount the interest relates to.

Sub-paragraph (5) shall apply, with any necessary modifications, to the certificate.

(7) For the purposes of this paragraph “combined amount” has the meaning given in paragraph 15(1A).]

Textual Amendments

- F200** Words in Sch. 4 para. 17(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(9)(a)(i)**
- F201** Words in Sch. 4 para. 17(1) inserted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(9)(a)**
- F202** Sch. 4 para. 17(1)(a) omitted (with effect in accordance with art. 1(2) of the amending S.I.) by virtue of [The Finance Act 2009, Sections 101 and 102 \(Interest on Late Payments and Repayments\), Appointed Days and Consequential Provisions Order 2014 \(S.I. 2014/992\)](#), arts. 1(1), **10(2)(a)**
- F203** Words in Sch. 4 para. 17(1)(b) inserted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(9)(a)(iii)**
- F204** Word in Sch. 4 para. 17(2) substituted (6.4.2008) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2008 \(S.I. 2008/636\)](#), regs. 1(3)(b), **6(1)**
- F205** Section 10A was inserted by section 53 of the [Social Security Act 1998 \(c. 14\)](#).
- F206** Sch. 4 para. 17(3)(b)(i) omitted (with effect in accordance with art. 1(2) of the amending S.I.) by virtue of [The Finance Act 2009, Sections 101 and 102 \(Interest on Late Payments and Repayments\), Appointed Days and Consequential Provisions Order 2014 \(S.I. 2014/992\)](#), arts. 1(1), **10(2)(b)**

- F207** Words in Sch. 4 para. 17(3)(b)(ii) inserted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(9)(c)(ii)**
- F208** Sch. 4 para. 17(3)(b)(iii) added (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(9)(b)**
- F209** 1882 c. 61. Section 92 was amended by sections 3(1) and (3) and 4(4) of the Banking and Financial Dealings Act 1971 (c. 80).
- F210** Sch. 4 para. 17(4A) inserted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(9)(c)**
- F211** Sch. 4 para. 17(5) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(9)(d)**
- F212** Word in Sch. 4 para. 17(5) substituted (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **6(2)**
- F213** Sch. 4 para. 17(6)(7) added (6.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(b), **6(3)**

[^{F214}Application of paragraphs 16 and 17 in cases of wilful failure to pay

17A.—(1) If regulation 86(1)(a) applies paragraphs 16 and 17^[F215], and section 101 of the Finance Act 2009, in respect of an earnings-related contribution,] shall apply to the employed earner to the extent of the primary contribution which the secondary contributor wilfully failed to pay.

(2) For the purpose of sub-paragraph (1) any reference in paragraph 16 and 17 to an employer shall be construed as a reference to the employed earner.]

Textual Amendments

- F214** Sch. 4 para. 17A inserted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(10)**
- F215** Words in Sch. 4 para. 17A(1) inserted (with effect in accordance with art. 1(2) of the amending S.I.) by The Finance Act 2009, Sections 101 and 102 (Interest on Late Payments and Repayments), Appointed Days and Consequential Provisions Order 2014 (S.I. 2014/992), arts. 1(1), **10(3)**

Payment of interest on repaid earnings-related contributions or Class 1B contributions

18.—(1) Where an earnings-related contribution paid by an employer in respect of the year ended 5th April 1993 or any subsequent year not later than the year ended 5th April 1999 is repaid to him and that repayment is made after the relevant date, any such repaid contribution shall carry interest at the rate applicable under paragraph 6(3) of Schedule 1 to the Act from the relevant date until the order for the repayment is issued.

(2) For the purposes of sub-paragraph (1) “the relevant date” is—

- (a) in the case of an earnings-related contribution overpaid more than 12 months after the end of the year in respect of which the payment was made, the last day of the year in which it was paid; and
- (b) in any other case, the last day of the year after the year in respect of which the contribution in question was paid.

(3) Where ^{F216}... a Class 1B contribution paid by an employer in respect of the year ended 5th April 2000 or any subsequent year is repaid to him and that repayment is made after the relevant date, any such repaid contribution shall carry interest at the rate applicable under paragraph 6(3) of Schedule 1 to the Act from the relevant date until the order for the repayment is issued.

Status: Point in time view as at 06/04/2015.

Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4. (See end of Document for details)

- (4) For the purpose of sub-paragraph (3) “the relevant date” is—
- (a) in the case of—
 - ^{F217}(i)
 - (ii) a Class 1B contribution, the 19th October next following the year in respect of which that contribution was paid; or
 - (b) the date on which the ^{F218}... Class 1B contribution was paid if that date is later than the date referred to in paragraph (a).

Textual Amendments

F216 Words in Sch. 4 para. 18(3) omitted (with effect in accordance with art. 1(2) of the amending S.I.) by virtue of [The Finance Act 2009, Sections 101 and 102 \(Interest on Late Payments and Repayments\), Appointed Days and Consequential Provisions Order 2014 \(S.I. 2014/992\)](#), arts. 1(1), **10(4)(a)**

F217 Sch. 4 para. 18(4)(a)(i) and word omitted (with effect in accordance with art. 1(2) of the amending S.I.) by virtue of [The Finance Act 2009, Sections 101 and 102 \(Interest on Late Payments and Repayments\), Appointed Days and Consequential Provisions Order 2014 \(S.I. 2014/992\)](#), arts. 1(1), **10(4)(b)(i)**

F218 Words in Sch. 4 para. 18(4)(b) omitted (with effect in accordance with art. 1(2) of the amending S.I.) by virtue of [The Finance Act 2009, Sections 101 and 102 \(Interest on Late Payments and Repayments\), Appointed Days and Consequential Provisions Order 2014 \(S.I. 2014/992\)](#), arts. 1(1), **10(4)(b)(ii)**

Repayment of interest

19. Where a secondary contributor or a person liable to pay a Class 1B contribution has paid interest on an earnings-related contribution or a Class 1B contribution, that interest shall be repaid to him [^{F219}if]—

- (a) the interest paid is found not to have been due to be paid, although the contribution in respect of which it was paid was due to be paid;
- (b) the earnings-related contribution or Class 1B contribution in respect of which interest was paid is returned or repaid to him in accordance with the provisions of regulation [^{F220}52, 52A or 55].

Textual Amendments

F219 Word in Sch. 4 para. 19 inserted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(10)**

F220 Words in Sch. 4 para. 19(b) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(11)**

Remission of interest for official error

20.—(1) Where interest is payable in accordance with paragraph 17^{F221}, or section 101 of the Finance Act 2009 in relation to any earnings-related contribution,] it shall be remitted for the period commencing on the first relevant date and ending on the second relevant date in the circumstances specified in sub-paragraph (2).

(2) For the purposes of sub-paragraph (1), the circumstances are that the liability, or a greater liability, to pay interest in respect of an earnings-related contribution or a Class 1B contribution arises as the result of an official error being made.

(3) In this paragraph—

- (a) “an official error” means a mistake made, or something omitted to be done, by an officer of the Board, where the employer or any person acting on his behalf has not caused, or materially contributed to, that mistake or omission;
- (b) “the first relevant date” means the reckonable date as defined in paragraph 17(3) or, if later, the date on which the official error occurs;
- (c) “the second relevant date” means the date 14 days after the date on which the official error has been rectified and the employer is advised of its rectification.

Textual Amendments

F221 Words in Sch. 4 para. 20(1) inserted (with effect in accordance with art. 1(2) of the amending S.I.) by [The Finance Act 2009, Sections 101 and 102 \(Interest on Late Payments and Repayments\), Appointed Days and Consequential Provisions Order 2014 \(S.I. 2014/992\)](#), arts. 1(1), **10(5)**

Application of paragraphs 10, 12, 16, 17, 18, 19 and 20

21.—(1) This paragraph applies where—

- (a) secondary Class 1 contributions are payable in respect of [^{F222}relevant employment income; and]
- (b) an amount or proportion (as the case may be) of the liability of the secondary contributor to those contributions is transferred to the employed earner by an election made jointly by them for the purposes of paragraph 3B(1) of Schedule 1 to the Act^{F223}.

(2) Paragraphs 10, 12, 16, 17, 18, 19 and 20 shall apply to the employed earner to the extent of the liability transferred by the election and, to that extent, those paragraphs shall not apply to the employer.

(3) For the purposes of sub-paragraph (2)—

- (a) any reference in paragraphs 10, 12, 16, 17, 18 and 20 to an employer; and
- (b) the reference in paragraph 19 to a secondary contributor,

shall be construed as a reference to the employed earner to whom the liability is transferred by the election.

Textual Amendments

F222 Words in Sch. 4 para. 21(1)(a) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2004 \(S.I. 2004/2096\)](#), regs. 1(1), **7(c)**

F223 Paragraph 3B was inserted into Schedule 1 by section 77(2) of the Child Support, Pensions and Social Security Act 2000.

[^{F224}Real time returns of information about payments of ^{F225}... earnings

21A.—(1) [^{F226}Subject to [^{F227}sub-paragraph (1A)],] on or before making any payment of ^{F228}... earnings to an employee a Real Time Information employer must deliver to HMRC the information specified in Schedule 4A (real time returns) in accordance with this paragraph [^{F229}unless—

- (a) the employer is not required to maintain a deductions working sheet for any employees, or

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- (b) an employee’s earnings are below the lower earnings limit and the employer is required to make a return under regulation 67B(1), regulation 67D(3), regulation 67E(6) or regulation 67EA(3) of the PAYE Regulations.]

[^{F230}(1A) But a Real Time Information employer—

- (a) which for the tax year 2014-15 meets Conditions A and B, or
- (b) which for the tax year 2015-16 meets Conditions A and C,

may instead for that tax year deliver to HMRC the information specified in Schedule 4A (real time returns) in respect of every payment of ^{F228}... earnings made to an employee in a tax month on or before making the last payment of ^{F228}... earnings in that month.

(1B) Condition A is that at 5th April 2014 the employer is one to whom HMRC has issued an employer’s PAYE reference.]

[^{F230}(1C) Condition B is that at 6th April 2014 the Real Time Information employer employs no more than 9 employees.

(1D) Condition C is that at 6th April 2015 the Real Time Information employer employs no more than 9 employees.

(1E) In this paragraph “employer’s PAYE reference” means—

- (a) the combination of letters, numbers, or both, used by HMRC to identify an employer for the purposes of the PAYE Regulations, and
- (b) the number which identifies the employer’s HMRC office.]

(2) The information must be included in a return.

(3) Subject to paragraph (4), if payments of ^{F228}... earnings are made to more than one employee at the same time, the return under sub-paragraph (2) must include the information required by Schedule 4A in respect of each employee to whom a payment of ^{F228}... earnings is made at that time.

(4) If payments of ^{F228}... earnings are made to more than one employee at the same time but the employer operates more than one payroll, the employer must make a return in respect of each payroll.

(5) The return is to be made using an approved method of electronic communications and regulation 90N(2) (mandatory use of electronic communications) applies as if the return was a paragraph 22 return within the meaning given by regulation 90M (paragraph 22 return and specified payments).

^{F231}(6)

^{F231}(7)

(8) Schedule 24 to the Finance Act 2007 (penalties for errors), as that Schedule applies to income tax returns, shall apply in relation to the requirement to make a return contained in sub-paragraph (2).]

Textual Amendments

F224 Sch. 4 paras. 21A-21F inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **11**

F225 Word in Sch. 4 para. 21A heading omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(b)**

F226 Words in Sch. 4 para. 21A(1) inserted (with effect in accordance with reg 1(2)(3) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2013 \(S.I. 2013/2301\)](#), regs. 1(1), **3(a)**

- F227** Words in Sch. 4 para. 21A(1) substituted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **7(a)**
- F228** Word in Sch. 4 para. 21A omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(b)**
- F229** Words in Sch. 4 para. 21A(1) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **10(2)**
- F230** Sch. 4 paras. 21A(1A)-(1E) substituted for Sch. 4 paras. 21A(1A)-(1B) (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **7(b)**
- F231** Sch. 4 para. 21A(6)(7) omitted (with application in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **10(3)**

[^{F232}E] Employees in respect of whom employer is not required to maintain a deductions worksheet

21AA.—(1) This paragraph applies if an employer makes a payment of ^{F233}... earnings to an employee in respect of whom the employer is not required to maintain a deductions working sheet.

(2) The employer need not deliver the information required by paragraph 21A in respect of that employee on or before making the payment.

(3) The employer must deliver that information no later than the end of the period of 7 days starting with the day following the day on which the payment is made.

Textual Amendments

- F232** Sch. 4 paras. 21AA-21AD inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **11**
- F233** Word in Sch. 4 para. 21AA omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(c)**

Employees paid in specified circumstances

21AB.—(1) This paragraph applies if—

- (a) an employer makes a payment of ^{F234}... earnings to an employee, and
- (b) all of the circumstances in sub-paragraph (2) apply.

(2) The circumstances are that—

- (a) the payment includes an amount of ^{F234}... earnings which is for work undertaken by the employee on—
 - (i) the day the payment is made, or
 - (ii) provided that the payment is made before the employee leaves the place of work at the end of the employee's period of work, the day before the payment is made,
- (b) in respect of the work mentioned in paragraph (a), it was not reasonably practicable for the employer to calculate the payment due before the completion of the work, and
- (c) it is not reasonably practicable for the employer to deliver the information required by paragraph 21A on or before making the payment.

Status: Point in time view as at 06/04/2015.

Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4. (See end of Document for details)

(3) The employer need not deliver the information required by paragraph 21A on or before making the payment.

(4) The employer must deliver that information no later than the end of the period of 7 days starting with the day following the day on which the payment is made.

Textual Amendments

F232 Sch. 4 paras. 21AA-21AD inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **11**

F234 Word in Sch. 4 para. 21AB omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(c)**

Paragraphs 21AA and 21AB: supplementary

21AC Where paragraph 21AA or 21AB applies, the information required by paragraph 21A in respect of the payment of ^{F235}... earnings may be included in a return with the information for any other payment of ^{F235}... earnings.

Textual Amendments

F232 Sch. 4 paras. 21AA-21AD inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **11**

F235 Word in Sch. 4 para. 21AC omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(c)**

Benefits and expenses – returns under regulations 85 to 87 of the PAYE Regulations

21AD.—(1) This paragraph applies if an employer makes a payment of ^{F236}... earnings to an employee which, for the purposes of tax, falls to be included in a return under—

- (a) regulations 85 and 86 of the PAYE Regulations (employers: annual return of other earnings (Forms P11D and P9D) – information which must be provided for each employee), or
- (b) regulations 85 and 87 of the PAYE Regulations (employers: annual return of other earnings (Forms P11D and P9D) – information which must also be provided for benefits code employees) or would fall to be so included if the employee’s employment was subject to the benefits code for the purposes of regulation 85 of the PAYE Regulations.

(2) If the employer is unable to comply with the requirement in paragraph 21A(1) to deliver the information required by that paragraph on or before making the payment, the employer must instead deliver the information as soon as reasonably practicable after the payment is made and in any event no later than 14 days after the end of the tax month in which the payment is made.]

Textual Amendments

F232 Sch. 4 paras. 21AA-21AD inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **11**

F236 Word in Sch. 4 para. 21AD omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(c)**

[^{F224}Modification of the requirements of paragraph 21A: notional payments

21B.—(1) This [^{F237}paragraph] applies if an employer makes a payment of ^{F238}... earnings to an employee which, for the purposes of tax, is a notional payment within the meaning given by section 710(2) of ITEPA 2003 (including a notional payment arising by virtue of a retrospective tax provision).

(2) If the employer is unable to comply with the requirement in paragraph 21A(1) to deliver the information required by that paragraph on or before making the payment, the employer must instead deliver the information as soon as reasonably practicable after the payment is made and in any event no later than—

(a) the time at which the employer delivers the information required by regulation 67B of the PAYE Regulations (real time returns of information about relevant payments) in respect of the payment;

^{F239}(b) ; or

(c) 14 days after the end of the tax month the payment is made in, whichever is earliest.]

Textual Amendments

F224 Sch. 4 paras. 21A-21F inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **11**

F237 Word in Sch. 4 para. 21B(1) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **12(2)**

F238 Word in Sch. 4 para. 21B omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(c)**

F239 Sch. 4 para. 21B(2)(b) omitted (with application in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **12(3)**

[^{F224}Relationship between paragraph 21A and aggregation of earnings

21C.—(1) Where an employee's earnings are aggregated, a Real Time Information employer or, as the case may be, Real Time Information employers must make such arrangements as are necessary to ensure that the information specified in paragraph (2) in respect of all the aggregated earnings is included in the information given in respect of one of the employee's employments only.

(2) The information specified in this paragraph is the information specified in paragraphs 7 and 10(b) and (d) of Schedule 4A (real time returns).]

Textual Amendments

F224 Sch. 4 paras. 21A-21F inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **11**

Status: Point in time view as at 06/04/2015.

Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4. (See end of Document for details)

[^{F240}Notifications of payments of ^{F241}... earnings to and by providers of certain electronic payment methods

21CA.—(1) A Real Time Information employer who makes a payment of ^{F241}... earnings using an approved method of electronic communications which falls to be included in a return under paragraph 21A must—

- (a) generate a reference and include it in that return,
- (b) notify the service provider that the payment is a payment of ^{F241}... earnings, and
- (c) generate a sub-reference in respect of the payment of ^{F241}... earnings and notify the service provider of that sub-reference.

(2) A service provider who receives a notification under paragraph (1)(b) must notify HMRC of the information it holds that is required for generating a reference in relation to the payment of ^{F241}... earnings.

(3) In sub-paragraphs (1) and (2), “service provider” means the provider of the approved method of electronic communications by which the payment is made.

(4) For the purposes of sub-paragraphs (1) and (3), an “approved method of electronic communications” is any method of electronic communications which has been approved for the purposes of regulation 90H (mandatory electronic payment).

(5) Any direction given under regulation 67CA of the PAYE Regulations (notification of relevant payments to and by providers of certain electronic payment methods) applies for the purposes of the obligations in this paragraph as if it referred to payments of ^{F241}... earnings.]

Textual Amendments

F240 Sch. 4 para. 21CA inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **13**

F241 Word in Sch. 4 para. 21CA omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(c)**

[^{F224}Exceptions to paragraph 21A

21D.—(1) This paragraph applies to—

- (a) an individual who is a practising member of a religious society or order whose beliefs are incompatible with the use of electronic communications;
- (b) a partnership, if all the partners fall within sub-paragraph (a);
- (c) a company, if all the directors and the company secretary fall within sub-paragraph (a);
- (d) a care and support employer.

[an employer to whom a direction has been given under sub-paragraph (12).]

^{F242}(e)

[^{F243}But this is subject to sub-paragraph (2B).]

(2) A Real Time Information employer to whom this paragraph applies may proceed in accordance with this paragraph instead of paragraph 21A.

[

^{F244}(2A) Before 6th April 2014, a Real Time Information employer to whom this paragraph applies may proceed as if the employer were a non-Real Time Information employer and accordingly the provisions of this Schedule apply to such an employer.]

[
^{F245}(2B) This paragraph does not apply if a Real Time Information employer within sub-paragraph (1) makes a return using an approved method of electronic communications.]

(3) [^{F246}On and after 6th April 2014, the] Real Time Information employer must deliver to HMRC the information specified in Schedule 4A in respect of each employee to whom a payment of ^{F247}... earnings is made in a tax [^{F248}quarter] unless the employer is not required to maintain a deductions working sheet for any employees and, for the purposes of this paragraph, references in Schedule 4A to a payment of ^{F247}... earnings shall be read as if they were references to all the payments made to the employee in the tax [^{F248}quarter].

(4) The information must be included in a return in such a form as HMRC may approve or prescribe.

(5) The return required under sub-paragraph (4) must be delivered within 14 days after the end of the tax [^{F249}quarter] the return relates to.

(6) If payments of ^{F247}... earnings have been made to more than one employee in the tax [^{F250}quarter], the return under sub-paragraph (4) must include the information required by Schedule 4A in respect of each employee to whom a payment of ^{F247}... earnings has been made.

^{F251}(7)

^{F251}(8)

(9) Schedule 24 to the Finance Act 2007, as that Schedule applies to income tax returns, shall apply in relation to the requirement to make a return contained in sub-paragraph (4).

(10) In sub-paragraph (1)(c), “company” means a body corporate or unincorporated association but does not include a partnership.

(11) In sub-paragraph (1)(d), “care and support employer” means an individual (“the employer”) who employs a person to provide domestic or personal services at or from the employer's home where—

- (a) the services are provided to the employer or a member of the employer's family;
- (b) the recipient of the services has a physical or mental disability, or is elderly or infirm; and
- (c) it is the employer who delivers the return (and not some other person on the employer's behalf).]

[^{F252}(12) Where the Commissioners for Her Majesty’s Revenue and Customs are satisfied that—

- (a) it is not reasonably practicable for an employer to make a return using an approved method of electronic communications, and
- (b) it is the employer who delivers the return (and not some other person on the employer’s behalf),

they may make a direction specifying that the employer is not required to make a return using an approved method of electronic communications.]

Textual Amendments

F224 Sch. 4 paras. 21A-21F inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **11**

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- F242** Sch. 4 para. 21D(1)(e) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **14(2)**
- F243** Words in Sch. 4 para. 21D(1) inserted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **8(a)**
- F244** Sch. 4 para. 21D(2A) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **14(3)**
- F245** Sch. 4 para. 21D(2B) inserted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **8(b)**
- F246** Words in Sch. 4 para. 21D(3) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **14(4)**
- F247** Word in Sch. 4 para. 21D omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(c)**
- F248** Words in Sch. 4 para. 21D(3) substituted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **8(c)**
- F249** Words in Sch. 4 para. 21D(5) substituted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **8(c)**
- F250** Words in Sch. 4 para. 21D(6) substituted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **8(c)**
- F251** Sch. 4 para. 21D(7)(8) omitted (with application in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **14(5)**
- F252** Sch. 4 para. 21D(12) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **14(6)**

[^{F224}Returns under paragraphs 21A and 21D: amendments

21E.—(1) This paragraph applies where [^{F253}there is an inaccuracy in a return, whether careless or deliberate.] made under paragraph 21A (real time returns of information about payments of ^{F254}... earnings) or 21D (exceptions to paragraph 21A) and sub-paragraph (2), (3) or (4) applies.

(2) This sub-paragraph applies where the [^{F255}inaccuracy] relates to the information given in the return in respect of an employee under [^{F256}one or more of paragraphs 3A, 7], 10(b), 10(d), 13, 14, 15, 16 or 18 of Schedule 4A (real time returns).

(3) This sub-paragraph applies where the [^{F257}inaccuracy] was the omission of details of a payment of ^{F254}... earnings to an employee.

(4) This sub-paragraph applies where retrospective earnings increase the total amount of the ^{F254}... earnings paid to the employee for any tax year in which the employer was a Real Time Information employer.

[^{F258}(5) When the employer becomes aware of an inaccuracy in a return under paragraph 21A or 21D, the employer must provide the correct information in the next return for the tax year in question.]

(6) But if the information given has not been corrected before 20th April following the end of the tax year in question, the employer must make a return under this sub-paragraph.

(7) A return under sub-paragraph (6)—

(a) must include the following—

- (i) the information specified in paragraphs [^{F259}2 to 7 and 10 to 12] of Schedule 4A,
 - ^{F260}(ii)
 - (iii) the value of the adjustment, if any, to the information given under each of the paragraphs of Schedule 4A referred to in sub-paragraph (2) in the final return under paragraph 21A or 21D containing information in respect of the employee in the tax year in question,
 - (iv) if an adjustment is made to the information given under paragraph 7 or 10(b) or (d) of Schedule 4A, the information specified in paragraph 6 of that Schedule,
 - (v) if an adjustment is made to the information given under paragraph 10(d) of Schedule 4A that decreases the amount reported under that paragraph, an indication of whether the employer has refunded the primary Class 1 contributions paid in error to the employee, and
 - (vi) if an adjustment is made to the information given under paragraph 16 of Schedule 4A, the information specified in paragraph 17 of that Schedule if it has not already been provided;
- (b) must be made as soon as reasonably practicable after the [^{F261}employer becomes aware of the inaccuracy]; and
 - (c) must be made using an approved method of electronic communications [^{F262}and regulation 90N(2) (mandatory use of electronic communications) applies as if the return was a paragraph 22 return within the meaning given by regulation 90M (paragraph 22 return and specified payments)].
- (8) In the application of sub-paragraphs (6) and (7) to cases within sub-paragraph (3), if no information was given in any returns under paragraph 21A or 21D in respect of the employee in the tax year, the value of any adjustments required must be calculated as if there was a final return containing information for the employee in the year and the figure requiring adjustment was zero.
- (9) Sub-paragraph (7)(c) does not apply if the employer is one to whom paragraph 21D applies but in those circumstances the return must be in such a form as HMRC may approve or prescribe.]

Textual Amendments

- F224** Sch. 4 paras. 21A-21F inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **11**
- F253** Words in Sch. 4 para. 21E(1) substituted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **9(a)**
- F254** Word in Sch. 4 para. 21E omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(c)**
- F255** Word in Sch. 4 para. 21E(2) substituted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **9(b)**
- F256** Words in Sch. 4 para. 21E(2) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **15(2)**
- F257** Word in Sch. 4 para. 21E(3) substituted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **9(b)**
- F258** Sch. 4 para. 21E(5) substituted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **9(c)**
- F259** Words in Sch. 4 para. 21E(7)(a)(i) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **15(3)(a)**

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Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4. (See end of Document for details)

- F260** Sch. 4 para. 21E(7)(a)(ii) omitted (with application in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **15(3)(b)**
- F261** Words in Sch. 4 para. 21E(7)(b) substituted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **9(d)**
- F262** Words in Sch. 4 para. 21E(7)(c) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **15(3)(c)**

[^{F263}**Failure to make a return under paragraph 21A or 21D**

21EA.—(1) This paragraph applies where an employer does not make a return required by paragraph 21A (real time returns of information about payments of ^{F264}... earnings) or 21D (exceptions to paragraph 21A).

(2) The employer must provide the information in the next return made under paragraph 21A or 21D for the tax year in question.

(3) But if the information has not been provided before 20th April following the end of the tax year in question, the employer must submit a return under this sub-paragraph ^{F265}....

(4) A return under sub-paragraph (3) must—

- (a) include the information specified in Schedule 4A,
- (b) be made as soon as reasonably practicable after the discovery of the failure to make the return, and
- (c) be made using an approved method of electronic communications and regulation 90N(2) (mandatory use of electronic communications) applies as if the return were a paragraph 22 return within the meaning given by regulation 90M (paragraph 22 return and specified payments).

(5) Sub-paragraph (4)(c) does not apply if the employer is one to whom paragraph 21D applies but in those circumstances the return must be in such a form as HMRC may approve or prescribe.

(6) [^{F266}If a return under sub-paragraph (3) is not made before 20th May following the tax year in question] section 98A of TMA 1970 (special penalties in the case of certain returns) applies to [^{F267}that return]^{F268}, but this sub-paragraph does not apply to a return in respect of the tax year 2014-15 or a subsequent tax year].]

Textual Amendments

- F263** Sch. 4 para. 21EA inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **16**
- F264** Word in Sch. 4 para. 21EA omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(c)**
- F265** Words in Sch. 4 para. 21EA(3) omitted (6.10.2013) by virtue of [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2013 \(S.I. 2013/2301\)](#), regs. 1(1), **4(a)**
- F266** Words in Sch. 4 para. 21EA(6) inserted (6.10.2013) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2013 \(S.I. 2013/2301\)](#), regs. 1(1), **4(b)(i)**
- F267** Words in Sch. 4 para. 21EA(6) substituted (6.10.2013) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2013 \(S.I. 2013/2301\)](#), regs. 1(1), **4(b)(ii)**

F268 Words in Sch. 4 para. 21EA(6) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2014 \(S.I. 2014/2397\)](#), regs. 1(1), 3(4)

[^{F224} Additional information about payments

21F.—(1) A Real Time Information employer must inform HMRC of each of the amounts specified in Schedule 4B (additional information about payments) for each tax period unless sub-paragraph (4) or (5) applies.

- (2) The information must be given in a return.
- (3) The return must be delivered within 14 days after the end of the tax period.
- (4) This sub-paragraph applies if—
 - (a) all of the amounts are zero; and
 - (b) the employer has not made a return under sub-paragraph (2) in the tax year.
- (5) This paragraph applies if none of the amounts has changed in the tax period.

(6) If an employer makes an error in a return under this paragraph, the employer must provide the correct information in the first return made under sub-paragraph (2) after the discovery of the error.

(7) But if the information given has not been corrected before 20th April following the end of the year in question, the employer must provide the correct information for the year in question in a return under this sub-paragraph.

[^{F269}(7A) A Real Time Information employer may send to HMRC a notification (included within a return under this paragraph or otherwise) if—

- (a) for a tax period, the employer was not required to make any returns in accordance with paragraph 21A or 21D because no payments of ^{F270}... earnings were made during the tax periods, or
- (b) the employer has sent the final return under paragraph 21A or 21D that the employer expects to make—
 - (i) in the circumstances described in paragraph 5 of Schedule A1 to the PAYE Regulations (real time returns); or
 - (ii) for the year.]

(8) A return under sub-paragraph (2) or (7) [^{F271}and a notification under paragraph (7A)]—

- (a) must state—
 - (i) the year to which the return relates,
 - (ii) the employer's HMRC office number,
 - (iii) the employer's PAYE reference, ^{F272}...
 - (iv) the employer's accounts office reference [^{F273}, and;
- (v) if the notification is under sub-paragraph (7A)(b)(i), include the date of cessation;]
- (b) is to be made using an approved method of electronic communications.

^{F274}(9)

(10) For the purposes of sub-paragraph (8)(b), regulation 90N(2) (mandatory use of electronic communications) applies as if the return was a paragraph 22 return within the meaning given by regulation 90M (paragraph 22 return and specified payments).

Status: Point in time view as at 06/04/2015.

Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4. (See end of Document for details)

(11) The requirement to use an approved method of electronic communications does not apply if the employer is one to whom paragraph 21D (exceptions to paragraph 21A) applies but in those circumstances the return must be in such a form as HMRC may approve or prescribe.

(12) Schedule 24 to the Finance Act 2007 (penalties for errors), as that Schedule applies to income tax returns, shall apply in relation to the requirement to make a return contained in sub-paragraph (2) or (7).]

Textual Amendments

- F224** Sch. 4 paras. 21A-21F inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **11**
- F269** Sch. 4 para. 21F(7A) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **17(2)**
- F270** Word in Sch. 4 para. 21F omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(c)**
- F271** Words in Sch. 4 para. 21F(8) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **17(3)(a)**
- F272** Word in Sch. 4 para. 21F(8)(a)(iii) omitted (with application in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **17(3)(b)**
- F273** Sch. 4 para. 21F(8)(a)(v) and word inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **17(3)(c)**
- F274** Sch. 4 para. 21F(9) omitted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **17(3)(c)**

[^{F275}Penalty: failure to comply with paragraph 21A or 21D

21G.—(1) Where a Real Time Information employer fails to deliver a return in accordance with paragraph 21A (real time returns of information about payments of ^{F276}... earnings) to paragraph 21AB (employees paid in specific circumstances), paragraph 21AD (benefits and expenses – returns under the PAYE Regulations), paragraph 21B (modification of the requirements of paragraph 21A: notional payments) or paragraph 21D (exceptions to paragraph 21A), Schedule 55 to the Finance Act 2009 (amount of penalty: real time information for PAYE) and regulations 67I to 67K of the PAYE Regulations (penalties) apply in relation that failure as if—

- (a) the return under paragraph 21A (real time returns of information about payments of ^{F276}... earnings) or paragraph 21D (exceptions to paragraph 21A), as the case may be, were a return falling within item 4 of the Table in paragraph 1 of Schedule 55, and
- (b) references to the PAYE Regulations were references to these Regulations,

but this is subject to sub-paragraph (2).

(2) Where a Real Time Information employer (P) is liable to a penalty in consequence of a failure to deliver a return (“the tax return”) under regulation 67B (real time returns of information about relevant payments) or regulation 67D (exceptions to regulation 67B) of the PAYE Regulations, P shall not also be liable to a penalty in respect of any failure in relation to an associated return under paragraph 21A (real time returns of information about payments of ^{F276}... earnings) or 21D (exceptions to paragraph 21A).

(3) A tax return and a return under paragraph 21A or 21D are “associated” if the return under paragraph 21A or 21D is required to be delivered at the same time as the tax return.]

Textual Amendments

- F275** Sch. 4 para. 21G inserted (with effect in accordance with reg. 1(3) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2014](#) (S.I. 2014/2397), regs. 1(1), **3(5)**
- F276** Word in [Sch. 4 para. 21G](#) omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015](#) (S.I. 2015/478), regs. 1(4), **22(4)(c)**

Return by employer at end of year

22.—^{F277}(A1) This ^{F278}paragraph] applies to—

- (a) non-Real Time Information employers;
- (b) Real Time Information employers in relation to years in which they were, for the whole of the year, non-Real Time information employers; and
- (c) Real Time Information employers to whom HMRC has given a notice requiring a return under regulation 73 of the PAYE Regulations (annual return of relevant payments liable to deduction of tax (Forms P35 and P14) in respect of a tax year.]

(1) ^{F279}Before 20th May following the end of the year the employer shall render to ^{F280}HMRC] in such form as they may approve or prescribe], a return showing in respect of each employee, in respect of whom he was required at any time during the year to prepare or maintain a deductions working sheet in accordance with this Schedule—

- (a) such particulars as ^{F280}HMRC] may require for the identification of the employee,
- (b) the year to which the return relates,
- (c) in respect of each and under each of the category letters, the total amounts for the year shown under—
 - (i) each of ^{F281}sub-paragraphs (i) to (v)] severally of paragraph 7(13)(b) (such amounts being rounded down to the next whole pound if not already whole pounds) in the case of paragraphs (i) to ^{F282}(iii)],

^{F283}(ii)

^{F284}(iii)

(d) the total amount of any statutory maternity pay paid during the year; ^{F285} ...

^{F286}(da) the total amount of [^{F287}... statutory paternity pay] paid during the year;

^{F289}(daa)

(db) the total amount of statutory adoption pay paid during the year^{F290}; and]

(dc) the total amount of statutory shared parental pay paid during the year.]

^{F291}(e)

(2) The return required by sub-paragraph (1) shall include a statement and declaration in the form approved or prescribed by ^{F280}HMRC] containing a list of all deductions working sheets on which the employer was obliged to keep records in accordance with this Schedule in respect of that year, and shall also include a certificate showing—

- (a) the total amount of earnings-related contributions payable by him in respect of each employee during that year;

Status: Point in time view as at 06/04/2015.

Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4. (See end of Document for details)

- (b) the total amount of earnings-related contributions payable in respect of all his employees during that year;
- (c) in relation to any contracted-out employment the number notified by [^{F280}HMRC] on the relevant contracting-out certificate as the employer’s number;
- (d) in respect of statutory maternity pay paid during that year to all his employees, the total of amounts determined under regulation 3 of the Compensation of Employers Regulations and deducted by virtue of regulation 4 of those Regulations; ^{F292} ...
- ^{F293}(da) in respect of statutory paternity pay paid during that year to all his employees the total of the amounts determined under regulation 5 of the [^{F294}^{F295} ... statutory paternity pay] and Statutory Adoption Pay (Administration) Regulations 2002;
- ^{F296}(daa)
- (db) in respect of statutory adoption pay paid during that year to all his employees the total of the amounts determined under regulation 5 of the Statutory Paternity Pay and Statutory Adoption Pay (Administration) Regulations 2002][^{F297}; and
- (dc) in respect of statutory shared parental pay paid during the year to all his employees the total of the amounts determined under regulation 5 (deductions from payments to the Commissioners) of the Statutory Shared Parental Pay (Administration) Regulations 2014.]
- ^{F291}(e)

[^{F298}(2A) Where a liability arises to pay contributions in respect of retrospective earnings relating to a closed tax year, the employer shall render a replacement return, or where necessary prepare one, in respect of the employee for that closed tax year before 20th May following the end of the year in which the relevant retrospective contributions regulations came into force, in accordance with paragraphs (a) to (c) of sub-paragraph (1), setting out the revised earnings and earnings-related contributions.

(2B) The return required by sub-paragraph (2A) shall include a statement and declaration in a form prescribed by HMRC containing a list of all deductions working sheets in accordance with paragraph 6(1A) of this Schedule in respect of that year, and shall also include a certificate showing—

- (a) the total amount of earnings-related contributions originally payable (in accordance with sub-paragraph (2)(a)) in respect of each employee to whom sub-paragraph (2A) applies;
- (b) the total amount of earnings-related contributions originally payable (in accordance with sub-paragraph (2)(b)) in respect of all employees to whom sub-paragraph (2A) applies;
- (c) the total amount of revised earnings-related contributions payable in respect of each of those employees;
- (d) the total amount of revised earnings-related contributions payable in respect of all those employees,
- (e) the difference between the amount certified in paragraph (b) and paragraph (d) of this sub-paragraph in respect of all of those employees;
- (f) in relation to any contracted-out employment the number notified by HMRC on the relevant contracting-out certificate as the employer’s number.]

^{F299}(3)

(4) If the employer is a body corporate, [^{F300}the declarations] and [^{F301}the certificates] referred to in [^{F302}sub-paragraphs (2) and (2B)] shall be signed by the secretary or by a director of the body corporate.

(5) If, within 14 days of the end of any year, an employer has failed to pay to the [^{F280}HMRC] the total amount of earnings-related contributions which he is liable so to pay, the [^{F280}HMRC]

may prepare a certificate showing the amount of such contributions remaining unpaid for the year in question, excluding any amount deducted by the employer by virtue of the Compensation of Employers Regulations.

The provisions of paragraph 17 shall apply with any necessary modifications to the amount shown in that certificate.

(6) Notwithstanding sub-paragraphs (2) to (5), [^{F303}the returns referred to in sub-paragraphs (1) and (2A)] may be made in such other form as [^{F280}HMRC] and the employer approve, and in that case—

- (a) sub-paragraphs (2) to (5) shall not apply; and
- (b) the making of [^{F304}the returns] shall be subject to such conditions as [^{F280}HMRC] may direct as to the method of making it.

(7) [^{F305}Section 98A of the Taxes Management Act 1970 (special penalties in the case of certain returns) and Schedule 24 to the Finance Act 2007 (penalties for errors) as that Schedule applies to income tax returns] as modified by the provisions of paragraph 7 of Schedule 1 to the Act shall apply in relation to the requirement to make a return contained in sub-paragraph (1) [^{F306}and (2A)].

Textual Amendments

- F277** Sch. 4 para. 22(A1) inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **12**
- F278** Word in Sch. 4 para. 22(A1) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **18**
- F279** Words in Sch. 4 para. 22(1) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(12)(a)**
- F280** Word in Sch. 4 para. 22 substituted (6.4.2007) by [The Social Security Contributions \(Consequential Provisions\) Regulations 2007 \(S.I. 2007/1056\)](#), regs. 1, **8(11)**
- F281** Words in Sch. 4 para. 22(1)(c)(i) substituted (with effect in accordance with reg. 1(1) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2003 \(S.I. 2003/193\)](#), regs. 1(1), **16(5)(a)(i)**
- F282** Word in Sch. 4 para. 22(1)(c)(i) substituted (6.4.2009) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2009 \(S.I. 2009/111\)](#), regs. 1, **4(4)**
- F283** Sch. 4 para. 22(1)(c)(ii) omitted (with effect in accordance with reg. 1(1) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment\) Regulations 2003 \(S.I. 2003/193\)](#), regs. 1(1), **16(5)(a)(ii)**
- F284** Sch. 4 para. 22(1)(c)(iii) omitted (with effect in accordance with reg. 1(1) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment\) Regulations 2003 \(S.I. 2003/193\)](#), regs. 1(1), **16(5)(a)(ii)**
- F285** Word in Sch. 4 para. 22(1)(d) omitted (with effect in accordance with reg. 1(1) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment\) Regulations 2003 \(S.I. 2003/193\)](#), regs. 1(1), **16(5)(b)**
- F286** Sch. 4 para. 22(1)(da)-(db) inserted (with effect in accordance with reg. 1(1) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2003 \(S.I. 2003/193\)](#), regs. 1(1), **16(5)(b)**
- F287** Words in Sch. 4 para. 22(1)(da) substituted (14.11.2010) by [The Social Security \(Contributions\) \(Amendment No. 5\) Regulations 2010 \(S.I. 2010/2450\)](#), regs. 1, **4(5)(a)**
- F288** Word in Sch. 4 para. 22(1)(da) omitted (5.4.2015) by virtue of [The Social Security and Tax Credits \(Miscellaneous Amendments\) Regulations 2015 \(S.I. 2015/175\)](#), reg. 2(2)(3), **4(5)(a)(i)** (with reg. 9)
- F289** Sch. 4 para. 22(1)(daa) omitted (5.4.2015) by virtue of [The Social Security and Tax Credits \(Miscellaneous Amendments\) Regulations 2015 \(S.I. 2015/175\)](#), reg. 2(2)(3), **4(5)(a)(ii)** (with reg. 9)

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Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4. (See end of Document for details)

- F290** Sch. 4 para. 22(1)(dc) and word inserted (5.3.2015) by The Social Security and Tax Credits (Miscellaneous Amendments) Regulations 2015 (S.I. 2015/175), reg. 2(2)(3), **4(5)(a)(iv)**
- F291** Sch. 4 para. 22(1)(e)(2)(e) omitted (6.4.2012) by virtue of The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **27(c)**
- F292** Word in Sch. 4 para. 22(2)(d) omitted (with effect in accordance with reg. 1(1) of the amending S.I.) by virtue of The Social Security (Contributions) (Amendment) Regulations 2003 (S.I. 2003/193), regs. 1(1), **16(5)(c)**
- F293** Sch. 4 para. 22(2)(da)-(db) inserted (with effect in accordance with reg. 1(1) of the amending S.I.) by The Social Security (Contributions) (Amendment) Regulations 2003 (S.I. 2003/193), regs. 1(1), **16(5)(c)**
- F294** Words in Sch. 4 para. 22(2)(da) substituted (14.11.2010) by The Social Security (Contributions) (Amendment No. 5) Regulations 2010 (S.I. 2010/2450), regs. 1, **4(5)(c)**
- F295** Word in Sch. 4 para. 22(2)(da) omitted (5.4.2015) by virtue of The Social Security and Tax Credits (Miscellaneous Amendments) Regulations 2015 (S.I. 2015/175), reg. 2(2)(3), **4(5)(b)(i)** (with reg. 9)
- F296** Sch. 4 para. 22(2)(daa) omitted (5.4.2015) by virtue of The Social Security and Tax Credits (Miscellaneous Amendments) Regulations 2015 (S.I. 2015/175), reg. 2(2)(3), **4(5)(b)(ii)** (with reg. 9)
- F297** Sch. 4 para. 22(2)(dc) and word inserted (5.3.2015) by The Social Security and Tax Credits (Miscellaneous Amendments) Regulations 2015 (S.I. 2015/175), reg. 2(2)(3), **4(5)(b)(iv)**
- F298** Sch. 4 para. 22(2A)(2B) inserted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(12)**
- F299** Sch. 4 para. 22(3) omitted (6.10.2014) by virtue of The Social Security (Contributions) (Amendment No. 4) Regulations 2014 (S.I. 2014/2397), regs. 1(1), **3(6)**
- F300** Words in Sch. 4 para. 22(4) substituted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(13)(a)**
- F301** Words in Sch. 4 para. 22(4) substituted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(13)(b)**
- F302** Words in Sch. 4 para. 22(4) substituted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(13)(c)**
- F303** Words in Sch. 4 para. 22(6) substituted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(14)(a)**
- F304** Words in Sch. 4 para. 22(6)(b) substituted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(14)(b)**
- F305** Words in Sch. 4 para. 22(7) substituted (1.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(a), **7(a)**
- F306** Words in Sch. 4 para. 22(7) added (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(15)**

[^{F307}Notification by employer at end of year that an agreement described in paragraph 3A(2) or an election under paragraph 3B(1) of Schedule 1 to the Act has been operated in relation to a Secondary Class 1 contribution

23.—(1) An employer must notify HMRC on or before 6th July if a relevant agreement or relevant election has been operated in relation to a Secondary Class 1 contribution payable in respect of the relevant employment income of a person (“the earner”) in the year immediately preceding the year in which that day falls.

(2) A relevant agreement has been operated in relation to the contribution described in subparagraph (1) if the employer has recovered the whole or any part of it pursuant to an agreement described in paragraph 3A(2) of Schedule 1 to the Act.

(3) A relevant election has been operated in relation to the contribution described in subparagraph (1) if the liability for the whole or any part of it has been transferred to the earner pursuant to an election under paragraph 3B of that Schedule.]

Textual Amendments

F307 Sch. 4 para. 23 substituted (with effect in accordance with reg. 1(3) of the amending S.I.) by The Social Security (Miscellaneous Amendments No. 2) Regulations 2015 (S.I. 2015/478), regs. 1(4), **22(5)**

Special return by employer at end of voyage period

24.—(1) This paragraph applies where earnings-related contributions are assessed in accordance with regulation 120(4) or (5) (earnings periods for mariners and apportionment of earnings).

(2) Not later than 14 days after the end of the voyage period the employer shall render to the [^{F308}Inland Revenue] in such form as the [^{F308}Inland Revenue] may authorise a return in respect of each mariner showing—

- (a) his name, discharge book number and national insurance number;
- (b) the earnings periods and the amounts of [^{F309}{^{F310} earnings}] apportioned to each such period in the voyage period;
- (c) the appropriate category letter for each apportionment of [^{F309}{^{F310} ... earnings}];
- (d) the amounts of all the earnings-related contributions payable on each apportionment of [^{F309}{^{F310} ... earnings}] otherwise than under paragraph 7(3);
- (e) the amounts of primary Class 1 contributions included in the amounts shown under paragraph (d) for each apportionment of [^{F309}{^{F310} ... earnings}];
- (f) where the employment is contracted-out employment for any part of the voyage period—
 - (i) the amounts of that part of the contributions shown under paragraph (e) which were payable on earnings above the primary threshold, if primary Class 1 contributions were payable at the reduced rate, and
 - (ii) the number notified by the [^{F308}Inland Revenue] on the relevant contracting-out certificate as the employer's number; [^{F311}and]
- (g) the total amount of any earnings in respect of which primary Class 1 contributions were payable, other than earnings from non-contracted-out employment in respect of which primary Class 1 contributions were payable at the reduced rate[^{F312}.]

^{F313}(h)]

Textual Amendments

F308 Words in Sch. 4 para. 24 substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(14)(a)**

F309 Words in Sch. 4 para. 24 substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **32(14)(b)**

F310 Word in Sch. 4 para. 24(2) omitted (6.4.2015) by virtue of The Social Security (Miscellaneous Amendments No. 2) Regulations 2015 (S.I. 2015/478), regs. 1(4), **22(4)(d)**

F311 Word in Sch. 4 para. 24(2)(f) inserted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **29(a)**

F312 Word in Sch. 4 para. 24(2)(g) substituted (6.4.2012) by The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **29(b)**

F313 Sch. 4 para. 24(2)(h) omitted (6.4.2012) by virtue of The Social Security (Contributions) (Amendment No. 3) Regulations 2012 (S.I. 2012/821), regs. 1(1), **29(c)**

Status: Point in time view as at 06/04/2015.

Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4. (See end of Document for details)

Return by employer of recovery under the Statutory Sick Pay Percentage Threshold Order

^{F314}**25.**

Textual Amendments
F314 Sch. 4 para. 25 omitted (6.10.2014) by virtue of [The Social Security \(Contributions\) \(Amendment No. 4\) Regulations 2014 \(S.I. 2014/2397\)](#), regs. 1(1), 3(7)

[^{F315}Retention by employer of contribution and election records

26.—(1) An employer must keep and preserve all contribution records which are not required to be sent to HMRC by other provisions in these Regulations for not less than—

- (a) three years after the end of the tax year to which they relate; or
- (b) for documents or records relating to information about the amounts of Class 1A and Class 1B contributions, three years after the end of the year in which a contribution became payable.

(2) The duty under paragraph (1) may be discharged by preserving the contribution records in any form or by any means.

(3) Where an election has been made jointly by the secondary contributor and the employed earner for the purposes of paragraph 3B(1) of Schedule 1 to the Act, the records which the secondary contributor is obliged by paragraph 8 to maintain shall be retained by the secondary contributor throughout the period for which the election is in force and for six years after the end of that period.

(4) In this paragraph “contribution records” means wages sheets, deductions working sheets ^{F316} ... and other documents or records relating to—

- (a) the calculation of payment of earnings to the employer's employees or the amount of the earnings-related contributions payable for those earnings;
- (b) the amount of any Class 1A contributions or Class 1B contributions payable by the employer; and
- (c) any information about the amounts of Class 1A and Class 1B contributions.

[^{F317}(4A) Sub-paragraph (4B) applies in relation to an employer who makes deductions, or applies for a repayment, under section 4 of the National Insurance Contributions Act 2014 on account of an employment allowance for which the employer qualifies for a tax year (or who intends to do so).

(4B) So far as they are not otherwise covered by sub-paragraph (4), “contribution records” includes any documents or records relating to—

- (a) the employer's qualification for the employment allowance, or
- (b) the calculation of any amount that has been, or could be, deducted or repaid under section 4 of the National Insurance Contributions Act 2014 on account of the employment allowance.]

(5) For the purposes of this paragraph “employer”—

- (a) includes, in relation to a Class 1A contribution, the person liable to pay such a contribution in accordance with section 10ZA of the Act (liability of third party provider of benefits in kind); and
- (b) means, in relation to a Class 1B contribution, the person liable to pay such a contribution in accordance with section 10A of the Act.

Textual Amendments

- F315** Sch. 4 para. 26-26A substituted for Sch. 4 para. 26 (1.4.2009) (with effect in accordance with reg. 1(2) (a) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2009 \(S.I. 2009/600\)](#), regs. 1(1), **8(4)**
- F316** Words in Sch. 4 para. 26(4) omitted (with effect in accordance with reg. 1(3) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **4(4)**
- F317** Sch. 4 para. 26(4A)(4B) inserted (6.4.2014) by [National Insurance Contributions Act 2014 \(c. 7\)](#), **ss. 7(3), 8** (with s. 7(4))

Certificate of employer's liability to pay contributions after inspection of documents

26A.—(1) An officer of Revenue and Customs may, by reference to the information obtained from an inspection of the documents and records produced under Schedule 36 to the Finance Act 2008 (information and inspection powers), and on the occasion of each inspection, prepare a certificate showing—

- (a) the amount of earnings-related contributions which it appears that the employer is liable to pay to HMRC, excluding any amount deducted by the employer by virtue of the Compensation of Employers Regulations for the years or tax periods covered by the inspection; or
- (b) the amount of any Class 1B contributions which it appears that the employer is liable to pay to HMRC for the years covered by the inspection, or such an amount in addition to an amount referred to in paragraph (a);

together with any amount of earnings-related contributions or Class 1B contributions or a combination of those classes of contributions, which has not been paid to HMRC or, to the best of the officer's knowledge and belief, to any other person to whom it might lawfully be paid.

(2) The production of a certificate mentioned in sub-paragraph (1) shall, unless the contrary is proved, be sufficient evidence that the employer is liable to pay to HMRC in respect of the years or, as the case may be, tax periods mentioned in the certificate, the amount shown in the certificate as unpaid; and any document purporting to be such a certificate shall be treated as such a certificate until the contrary is proved.

(3) The provisions of paragraph 16 shall apply with any necessary modifications to the amount shown in such a certificate.

(4) For the purposes of this paragraph “employer” has the meaning given by paragraph 26(5).]

Textual Amendments

- F315** Sch. 4 para. 26-26A substituted for Sch. 4 para. 26 (1.4.2009) (with effect in accordance with reg. 1(2) (a) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2009 \(S.I. 2009/600\)](#), regs. 1(1), **8(4)**

Death of an employer

27. If an employer dies, anything which he would have been liable to do under this Schedule shall be done by his personal representatives, or, in the case of an employer who paid ^{F318}[^{F319} ... earnings] on behalf of another person, by the person succeeding him or, if no person succeeds him, the person on whose behalf he paid ^{F318}[^{F319} ... earnings].

Status: Point in time view as at 06/04/2015.

Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4. (See end of Document for details)

Textual Amendments

- F318** Word in Sch. 4 para. 27 omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(d)**
- F319** Words in Sch. 4 para. 27 substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(17)**

Succession to a business, etc

28.—(1) This paragraph applies where there has been a change in the employer from whom an employee receives [^{F319}F³²⁰... earnings] in respect of his employment in any trade, business, concern or undertaking, or in connection with any property, or from whom an employee receives any annuity other than a pension.

(2) Where this paragraph applies, in relation to any matter arising after the change, the employer after the change shall be liable to do anything which the employer before the change would have been liable to do under this Schedule if the change had not taken place.

(3) Sub-paragraph (2) is subject to the qualification that the employer after the change shall not be liable for the payment of any earnings-related contributions which were deductible from emoluments paid to the employee before, unless they are also deductible from emoluments paid to [^{F321}the employee after], the change took place, or of any corresponding employer's earnings-related contributions.

Textual Amendments

- F319** Words in Sch. 4 para. 27 substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(17)**
- F320** Word in Sch. 4 para. 28 omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(d)**
- F321** Words in Sch. 4 para. 28(3) substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(18)**

Payments by cheque

29.—(1) Sub-paragraph (2) applies for the purposes of paragraphs 10, 11, 13, 15, 17 and 18.

(2) If any payment to the [^{F322}Inland Revenue] is made by cheque, and the cheque is paid on its first presentation to the banker on whom it is drawn, the payment shall be treated as made on the day on which the cheque was received by the [^{F322}Inland Revenue], and “pay”, “paid”, “unpaid” and “overpaid” shall be construed accordingly.

Textual Amendments

- F322** Words in Sch. 4 para. 29 substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **32(19)**

[^{F323}PART 3A

DEBTS OF MANAGED SERVICE COMPANIES

Textual Amendments

F323 Sch. 4 Pt. 3A inserted (6.8.2007) by [The Social Security \(Contributions\) \(Amendment No. 5\) Regulations 2007 \(S.I. 2007/2068\)](#), regs. 1, 2

Interpretation of this Part

29A.—(1) In this Part of this Schedule—

“HM Revenue and Customs” means Her Majesty’s Revenue and Customs;

“lower amount” means the amount mentioned in paragraph 29C(5);

“managed service company” has the meaning given by section 61B of ITEPA;

“paragraph (b) associate” means a person who—

(a) is within section 688A(2)(d), and

(b) is within that provision by virtue of a connection with a person who is within section 688A(2)(b);

“paragraph (c) associate” means a person who—

(a) is within section 688A(2)(d), and

(b) is within that provision by virtue of a connection with a person who is within section 688A(2)(c);

“qualifying period” means a tax period beginning on or after 6th August 2007;

“relevant contributions debt” means a debt specified in paragraph 29B;

“specified amount” means the amount mentioned in paragraph 29C(1)(b);

“transfer notice” means the notice mentioned in paragraph 29C(4);

“transferee” means the person mentioned in paragraph 29C(4).

(2) In this Part of this Schedule references to section 688A, however expressed, are references to section 688A of ITEPA.

Relevant contributions debts of managed service companies

29B.—(1) A managed service company has a relevant contributions debt if—

(a) a managed service company must pay an amount of contributions for a qualifying period, and

(b) one of conditions A to E is met.

(2) Condition A is met if—

(a) a decision has been made in accordance with section 8 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999 that an amount of Class 1 National Insurance contributions is due in respect of a qualifying period, and

(b) any part of the amount has not been paid within 14 days from the date on which the decision became final and conclusive.

(3) Condition B is met if—

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- (a) an employer delivers a return under paragraph 22(1) (return by employer at end of year) for the tax year 2007-08, or any later tax year, showing an amount of total contributions deducted by the employer for that tax year,
 - (b) HM Revenue and Customs prepare a certificate under paragraph 22(5) (certificate that contributions specified in return under paragraph 22(1) remain unpaid) showing how much of that amount remains unpaid, and
 - (c) any part of that amount remains unpaid at the end of a period of 14 days beginning with the date on which the certificate is prepared.
- (4) Condition C is met if—
- (a) HM Revenue and Customs prepare a certificate under paragraph 14(1) (employer failing to pay earnings-related contributions) showing an amount of contributions which the employer is liable to pay for a qualifying period, and
 - (b) any part of that amount remains unpaid at the end of a period of 14 days beginning with the date on which the certificate is prepared.
- (5) Condition D is met if—
- (a) HM Revenue and Customs serve notice on an employer under paragraph 15(1) (specified amount of earnings-related contributions payable by the employer) requiring payment of the amount of Class 1 contributions which they consider the employer is liable to pay, and
 - (b) any part of that amount remains unpaid at the end of a period of 14 days beginning with the date on which the notice is prepared.
- (6) Condition E is met if—
- (a) HM Revenue and Customs prepare a certificate under [^{F324}paragraph 26A (certificate of employer's liability to pay contributions after inspection of documents)] showing an amount of contributions which it appears that the employer is liable to pay for a qualifying period,
 - (b) HM Revenue and Customs make a written demand for payment of that amount of contributions, and
 - (c) any part of that amount remains unpaid at the end of a period of 14 days beginning with the date on which the written demand for payment is made.

Textual Amendments

F324 Words in Sch. 4 para. 29B(6)(a) substituted (1.4.2009) (with effect in accordance with reg. 1(2)(a) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2009 \(S.I. 2009/600\)](#), regs. 1(1), **8(5)**

Transfer of debt of managed service company

29C.—(1) This paragraph applies if—

- (a) a managed service company has a relevant contributions debt, and
- (b) an officer of Revenue and Customs is of the opinion that the relevant contributions debt or a part of the relevant contributions debt (the “specified amount”) is irrecoverable from the managed service company within a reasonable period.

(2) HM Revenue and Customs may make a direction authorising the recovery of the specified amount from the persons specified in section 688A(2) (managed service companies: recovery from other persons).

(3) Upon the making of a direction under sub-paragraph (2), the persons specified in section 688A(2) become jointly and severally liable for the relevant contributions debt, but subject to what follows.

(4) HM Revenue and Customs may not recover the specified amount from any person in accordance with a direction made under sub-paragraph (2) until they have served a notice (a “transfer notice”) on the person in question (the “transferee”).

(5) If an officer of Revenue and Customs is of the opinion that it is appropriate to do so, HM Revenue and Customs may accept an amount less than the specified amount (the “lower amount”) from a transferee; but this acceptance shall not prejudice the recovery of the specified amount from any other transferee.

(6) HM Revenue and Customs may not serve a transfer notice on a person mentioned in section 688A(2)(c), or on a paragraph (c) associate, if the relevant contributions debt is incurred before 6th January 2008.

(7) HM Revenue and Customs may not serve a transfer notice on a person mentioned in section 688A(2)(c), or on a paragraph (c) associate, unless an officer of Revenue and Customs certifies that, in his opinion, it is impracticable to recover the specified amount from persons mentioned in paragraphs (a) and (b) of section 688A(2) and from paragraph (b) associates.

(8) In determining, for the purposes of sub-paragraph (7), whether it is impracticable to recover the specified amount from the persons mentioned in paragraphs (a) and (b) of section 688A(2) and from paragraph (b) associates the officer of Revenue and Customs may have regard to all managed service companies in relation to which a person is a person mentioned in paragraph (a) or (b) of section 688A(2) or a paragraph (b) associate.

(9) In determining which of the persons mentioned in section 688A(2)(c) and which of the paragraph (c) associates are to be served with transfer notices and the amount of those notices, HM Revenue and Customs must have regard to the degree and extent to which those persons are persons who (directly or indirectly) have encouraged or been actively involved in the provision by the managed service company of the services of the individual mentioned in that provision.

Time limits for issue of transfer notices

29D.—(1) A transfer notice must be served before the end of the period specified in this paragraph.

(2) Sub-paragraphs (3) to (7) apply if the transfer notice is served on a person mentioned in paragraph (a) or (b) of section 688A(2) or on a paragraph (b) associate.

(3) In a case in which condition A in paragraph 29B is met, the transfer notice must be served before the end of a period of 12 months beginning with the date on which the decision became final and conclusive.

(4) In a case in which condition B in paragraph 29B is met, the transfer notice must be served before the end of a period of 12 months beginning with the date on which HM Revenue and Customs received the return delivered under paragraph 22.

(5) In a case in which condition C in paragraph 29B is met, the transfer notice must be served before the end of a period of 12 months beginning with the date on which HM Revenue and Customs prepare the certificate under paragraph 14(1).

(6) In a case in which condition D in paragraph 29B is met, the transfer notice must be served before the end of a period of 12 months beginning with the date on which HM Revenue and Customs serve notice to the employer under paragraph 15(1).

(7) In a case in which condition E in paragraph 29B is met, the transfer notice must be served before the end of a period of 12 months beginning with the date on which HM Revenue and Customs

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carry out the inspection of the employer's contribution records under [^{F325}Schedule 36 to the Finance Act 2008].

(8) If the transfer notice is served on a person mentioned in paragraph (c) of section 688A(2), or on a paragraph (c) associate, the transfer notice must be served before the end of a period of three months beginning with the date on which the officer of Revenue and Customs certifies the matters specified in paragraph 29C(7).

Textual Amendments

F325 Words in Sch. 4 para. 29D(7) substituted (1.4.2009) (with effect in accordance with reg. 1(2)(a) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2009 \(S.I. 2009/600\)](#), regs. 1(1), **8(6)**

Contents of transfer notice

29E.—(1) A transfer notice must contain the following information—

- (a) the name of the managed service company to which the relevant contributions debt relates;
- (b) the address of the managed service company to which the relevant contributions debt relates;
- (c) the amount of the relevant contributions debt;
- (d) the tax periods to which the relevant contributions debt relates;
- (e) if the tax periods to which the relevant contributions debt relates are comprised in more than one tax year, the apportionment of the relevant contributions debt among those tax years;
- (f) which of the conditions A to E specified in paragraph 29B is met;
- (g) the transferee's name;
- (h) the transferee's address;
- (j) whether the transferee is a person mentioned in paragraph (a), (b) or (c) of section 688A, a paragraph (b) associate or a paragraph (c) associate;
- (k) if the transferee is a person mentioned in paragraph (c) of section 688A or a paragraph (c) associate—
 - (i) the date on which the officer of Revenue and Customs certified the matters specified in paragraph 29C(7), and
 - (ii) the names of the persons from whom it has been impracticable to recover the specified amount;
- (l) the specified amount;
- (m) the tax periods to which the specified amount relates;
- (n) if the tax periods to which the specified amount relates are comprised in more than one tax year, the apportionment of the specified amount among those tax years;
- (o) the address to which payment must be sent;
- (p) the address to which an appeal must be sent.

(2) The transfer notice may specify the lower amount if HM Revenue and Customs are prepared to accept the lower amount from the transferee.

(3) The transfer notice must also contain a statement, made by the officer of Revenue and Customs serving the notice, that in his opinion the specified amount is irrecoverable from the managed service company within a reasonable period.

Payment of the specified amount

29F.—(1) If a transfer notice is served, the transferee must pay the specified amount to HM Revenue and Customs at the address specified in the transfer notice.

(2) The transferee must pay the specified amount within 30 days beginning with the date on which the transfer notice is served (the “specified period”).

(3) If a transfer notice is served on a person mentioned in paragraph (a) or (b) of section 688A(2), or on a paragraph (b) associate, the specified amount carries interest from the reckonable date until the date on which payment is made.

(4) If a transfer notice is served on a person mentioned in paragraph (c) of section 688A(2), or on a paragraph (c) associate, the specified amount carries interest from the day following the expiry of the specified period until the date on which payment is made.

[
F326(5) For the purposes of sub-paragraph (3) “the reckonable date” has the meaning given by paragraph 17(3)(b)(i).]

Textual Amendments

F326 Sch. 4 para. 29F(5) inserted (1.4.2009) (with effect in accordance with reg. 1(2)(a) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2009 \(S.I. 2009/600\)](#), regs. 1(1), 8(7)

Appeals

29G.—(1) A transferee may appeal against the transfer notice.

(2) A notice of appeal must—

- (a) be given to HM Revenue and Customs at the address specified in the transfer notice within 30 days beginning with the date on which the transfer notice was served, and
- (b) specify the grounds of the appeal.

(3) The grounds of appeal are any of the following—

- (a) that the relevant contributions debt (or part of the relevant contributions debt) is not due from the managed service company to HM Revenue and Customs;
- (b) that the specified amount does not relate to a company which is a managed service company;
- (c) that the specified amount is not irrecoverable from the managed service company within a reasonable period;
- (d) that the transferee is not a person mentioned in section 688A(2);
- (e) that the transferee was not a person mentioned in section 688A(2) during the tax periods to which the specified amount relates;
- (f) that the transferee was not a person mentioned in section 688A(2) during some part of the tax periods to which the specified amount relates;
- (g) that the transfer notice was not served before the end of the period specified in paragraph 29D;

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- (h) that the transfer notice does not satisfy the requirements specified in paragraph 29E;
 - (j) in the case of a transferee mentioned in section 688A(2)(c) or of a paragraph (c) associate, that it is not impracticable to recover the specified amount from persons mentioned in paragraphs (a) and (b) of section 688A(2) or from paragraph (b) associates;
 - (k) in the case of a transferee mentioned in section 688A(2)(c) or of a paragraph (c) associate, that the amount specified in the transfer notice does not have regard to the degree and extent to which the transferee is a person who (directly or indirectly) has encouraged or been actively involved in the provision by the managed service company of the services of the individual mentioned in that provision.
- (4) Sub-paragraph (3)(a) is subject to paragraph 29H(4).
- ^{F327}(5)

Textual Amendments

F327 Sch. 4 para. 29G(5) omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 2 para. 76(2)**

Procedure on appeals

29H.—(1) On an appeal [^{F328}that is notified to the tribunal, the tribunal] shall uphold or quash the transfer notice.

(2) The general rule in sub-paragraph (1) is subject to the following qualifications.

(3) In the case of the ground of appeal specified in paragraph 29G(3)(a), the [^{F329}tribunal] shall investigate the matter and shall—

- (a) uphold the amount of the relevant contributions debt specified in the transfer notice, or
- (b) reduce or increase the amount of the relevant contributions debt specified in the transfer notice to such amount as in [^{F330}the tribunal’s] opinion is just and reasonable.

(4) If the [^{F331}tribunal determines] the amount of the relevant contributions debt of a managed service company under sub-paragraph (3), that amount is conclusive as to the amount of that relevant contributions debt in any later appeal relating to that debt.

(5) In the case of the ground of appeal specified in paragraph 29G(3)(f), the [^{F332}tribunal] may reduce the amount specified in the transfer notice to an amount determined in accordance with the equation—

$$RA = \frac{P}{TP} \times AS$$

(6) In paragraph (5)—

RA means the reduced amount;

P means the number of days in the tax periods specified in the transfer notice during which the transferee was a person mentioned in section 688A(2);

TP means the number of days in the tax periods specified in the transfer notice;

AS means the amount specified in the transfer notice.

(7) In the case of the ground of appeal specified in paragraph 29G(3)(k), the [^{F333}tribunal] may reduce the amount specified in the transfer notice to such amount as in [^{F334}the tribunal's] opinion is just and reasonable.

Textual Amendments

- F328** Words in Sch. 4 para. 29H(1) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 2 para. 76(3)(a)**
- F329** Word in Sch. 4 para. 29H(3) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 2 para. 76(3)(b)(i)**
- F330** Words in Sch. 4 para. 29H(3) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 2 para. 76(3)(b)(ii)**
- F331** Words in Sch. 4 para. 29H(4) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 2 para. 76(3)(c)**
- F332** Word in Sch. 4 para. 29H(5) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 2 para. 76(3)(d)**
- F333** Word in Sch. 4 para. 29H(7) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 2 para. 76(3)(e)(i)**
- F334** Words in Sch. 4 para. 29H(7) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 2 para. 76(3)(e)(ii)**

Withdrawal of transfer notices

29J.—(1) A transfer notice shall be withdrawn if the [^{F335}tribunal quashes] it.

(2) A transfer notice may be withdrawn if, in the opinion of an officer of Revenue and Customs, it is appropriate to do so.

(3) If a transfer notice is withdrawn, HM Revenue and Customs must give written notice of that fact to the transferee.

Textual Amendments

- F335** Words in Sch. 4 para. 29J(1) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 2 para. 76(4)**

Application of Part 6 of the Taxes Management Act 1970

29K.—(1) For the purposes of this Chapter, Part 6 of the Taxes Management Act 1970 (collection and recovery) applies as if—

- (a) the transfer notice were an assessment of tax on employment income, and
- (b) the amount of earnings-related contributions specified in the transfer notice, and any interest payable on that amount under sub-paragraph (3) or (4) of paragraph 29F were income tax charged on the transferee;

and that Part of that Act applies with the modification specified in sub-paragraph (2) and any other necessary modifications.

(2) Summary proceedings for the recovery of the specified amount may be brought in England and Wales or Northern Ireland at any time before the end of a period of 12 months beginning immediately after the expiry of the period mentioned in paragraph 29F(2).

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(3) The specified amount is one cause of action or one matter of complaint for the purposes of proceedings under sections 65, 66 and 67 of the Taxes Management Act 1970 (magistrates' courts, county courts and inferior courts in Scotland).

(4) But sub-paragraph (3) does not prevent the bringing of separate proceedings for the recovery of each of the amounts which the transferee is liable to pay for any tax period.

Repayment of surplus amounts

29L.—(1) This paragraph applies if the amounts paid to HM Revenue and Customs in respect of a relevant contributions debt exceed the specified amount.

(2) HM Revenue and Customs shall repay the difference on a just and equitable basis and without unreasonable delay.

(3) Interest on any sum repaid shall be paid in accordance with paragraph 18 (payment of interest on repaid earnings-related contributions).]

[^{F336}PART 3B

Security for the payment of Class 1 contributions

Textual Amendments

F336 Sch. 4 Pt. 3B inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **18**

Interpretation

29M. In this Part—

“employer” has the meaning given in paragraph 29O(1);

“a further notice” has the meaning given in paragraph 29U(3);

“PGS” has the meaning given in paragraph 29S(1).

Requirement for security

29N. In circumstances where an officer of Revenue and Customs considers it necessary for the protection of Class 1 contributions, the officer may require a person described in paragraph 29P(1) to give security or further security for the payment of amounts which an employer is or may be liable to pay to HMRC under paragraph 10, 11^[F337], 11ZA] or 11A.

Textual Amendments

F337 Word in Sch. 4 para. 29N inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **19**

Employers

29O.—(1) An “employer” is any employer within the meaning given in paragraph 1(2) other than—

- (a) the Crown;
- (b) a person to whom sub-paragraph (2) applies;
- ^{F338}(c) ; and
- (d) a care and support employer within the meaning given in regulation 90NA(3) of these Regulations.

(2) This sub-paragraph applies to persons who at the relevant time could not be liable to a penalty under Schedule 56 to the Finance Act 2009 by virtue of paragraph 10 of that Schedule (suspension of penalty for failure to make payments on time during currency of agreement for deferred payment).

(3) In sub-paragraph (2), the relevant time is a time at which, but for sub-paragraph (1)(b), the officer would require security.

Textual Amendments

F338 Sch. 4 para. 290(1)(c) omitted (with effect in accordance with reg. 1(3) of the amending S.I.) by virtue of [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013](#) (S.I. 2013/622), regs. 1, **4(5)**

Persons from whom security can be required

29P.—(1) The persons are—

- (a) the employer;
- (b) any of the following in relation to the employer—
 - (i) a director;
 - (ii) a company secretary;
 - (iii) any other similar officer; or
 - (iv) any person purporting to act in such a capacity; and
- (c) in a case where the employer is a limited liability partnership, a member of the limited liability partnership.

(2) An officer of Revenue and Customs may require—

- (a) a person to give security or further security of a specified value in respect of the employer; or
- (b) more than one person to give security or further security of a specified value in respect of the employer, and where the officer does so those persons shall be jointly and severally liable to give that security or further security.

Notice of requirement

29Q.—(1) An officer of Revenue and Customs must give notice of a requirement for security to each person from whom security is required and the notice must specify—

- (a) the value of security to be given;
- (b) the manner in which security is to be given;
- (c) the date on or before which security is to be given; and
- (d) the period of time for which security is required.

(2) The notice must include, or be accompanied by, an explanation of—

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- (a) the employer's right to make a request under paragraph 10(1) of Schedule 56 to the Finance Act 2009; and
 - (b) the effect of paragraph 29R(2) and (3).
- (3) In a case which falls within paragraph 29P(2)(b), the notice must include, or be accompanied by, the names of each other person from whom security is required.
- (4) The notice may contain such other information as the officer considers necessary.
- (5) A person shall not be treated as having been required to provide security unless HMRC comply with this paragraph and paragraph 29R(1).
- (6) Notwithstanding anything in regulation 1(4)(b), where the notice, or a further notice, (“contributions notice”) is to be given with a notice or further notice mentioned in regulations 97Q(1) and 97U(3) of the PAYE Regulations (“PAYE notice”) the contributions notice shall be taken to be given at the same time that the PAYE notice is given.

Date on which security is due

29R.—(1) The date specified under paragraph 29Q(1)(c) may not be earlier than the 30th day after the day on which the notice is given.

(2) If, before the date specified under paragraph 29Q(1)(c), the employer makes a request under paragraph 10(1) of Schedule 56 to the Finance Act 2009, the requirement to give security on or before that date does not apply.

(3) In a case which falls within sub-paragraph (2), if HMRC does not agree to the employer's request, security is to be given on or before the 30th day after the day on which HMRC notifies the employer of that decision.

Application for reduction in the value of security held

29S.—(1) A person who has given security (“PGS”) may apply to an officer of Revenue and Customs for a reduction in the value of security held by HMRC if—

- (a) PGS' circumstances have changed since the day the security was given because—
 - (i) of hardship; or
 - (ii) PGS has ceased to be a person mentioned in paragraph 29P(1); or
- (b) since the day the security was given there has been a significant reduction in the number of employed earners of the employer to whom the security relates or that employer has ceased to be an employer.

(2) Where paragraph 29P(2)(b) applies, a person who has not contributed to the value of the security given may not make an application under sub-paragraph (1).

Outcome of application under paragraph 29S

29T.—(1) If an application under paragraph 29S(1) is successful, the officer must inform PGS of the reduced value of security that is still required or, where that value is nil, that the requirement for security has been cancelled.

(2) HMRC may make such arrangements as they think fit to ensure the necessary reduction in the value of security held.

Outcome of application under paragraph 29S: further provision

29U.—(1) This paragraph applies—

- (a) in cases which fall within paragraph 29P(2)(b); and

(b) where PGS' application is made under paragraph 29S(1)(a).

(2) As a consequence of arrangements made under paragraph 29T(2), an officer of Revenue and Customs may require any other person who was given notice under paragraph 29Q in relation to the security (“the original security”), or any other person mentioned in paragraph 29P(1), to provide security in substitution for the original security.

(3) Where an officer of Revenue and Customs acts in reliance on sub-paragraph (2), the officer must give notice (“a further notice”).

(4) Paragraph 29Q(1) to (5) and paragraph 29R apply in relation to a further notice.

(5) Subject to sub-paragraph (6), paragraph 29V(1) applies in relation to a further notice.

(6) A person who is given a further notice and who was also given notice under paragraph 29Q in relation to the original security may only appeal on the grounds that the person is not a person mentioned in paragraph 29P(1).

Appeals

29V.—(1) A person who is given notice under paragraph 29Q may appeal against the notice or any requirement in it.

(2) PGS may appeal against—

(a) the rejection by an officer of Revenue and Customs of an application under paragraph 29S(1); and

(b) a smaller reduction in the value of security held than PGS applied for.

(3) Notice of an appeal under this paragraph must be given—

(a) before the end of the period of 30 days beginning with—

(i) in the case of an appeal under sub-paragraph (1), the day after the day on which the notice was given; and

(ii) in the case of an appeal under sub-paragraph (2), the day after the day on which PGS was notified of the outcome of the application; and

(b) to the officer of Revenue and Customs by whom the notice was given or the decision on the application was made, as the case may be.

(4) Notice of an appeal under this paragraph must state the grounds of appeal.

(5) On an appeal under sub-paragraph (1) that is notified to the tribunal, the tribunal may—

(a) confirm the requirements in the notice;

(b) vary the requirements in the notice; or

(c) set aside the notice.

(6) On an appeal under sub-paragraph (2) that is notified to the tribunal, the tribunal may—

(a) confirm the decision on the application; or

(b) vary the decision on the application.

(7) On the final determination of an appeal under this paragraph—

(a) subject to any alternative determination by a tribunal or court, any security to be given is due on the 30th day after the day on which the determination is made; or

(b) HMRC may make such arrangements as they think fit to ensure the necessary reduction in the value of the security held.

(8) Part 5 of the Taxes Management Act 1970 (appeals and other proceedings) applies in relation to an appeal under this paragraph as it applies in relation to an appeal under the Taxes Acts but as if—

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- (a) sections 46D, 47B, 50(6) to (9) and (11)(c) and 54A to 57 were omitted; and
- (b) in section 48(1)—
 - (i) in paragraph (a) the reference to “the Taxes Acts” were a reference to “paragraph 29V of Schedule 4 to the Social Security (Contributions) Regulations 2001”; and
 - (ii) in paragraph (b) the reference to “any provision of the Taxes Acts” were a reference to “paragraph 29V of Schedule 4 to the Social Security (Contributions) Regulations 2001”.

Appeals: further provision for cases which fall within paragraph 29R(2)

29W. In a case which falls within paragraph 29R(2), if the request mentioned in that provision is made before an appeal under paragraph 29V(1), paragraph 29V(3)(a)(i) applies as if the words “the day after the day on which the notice was given” were “the day after the day on which HMRC notifies the employer of its decision”.

Offence

29X.—(1) Section 684(4A) of the Income Tax (Earnings and Pensions) Act 2003 (PAYE regulations – security for payment of PAYE: offence) applies in relation to a requirement imposed under these Regulations as it applies in relation to a requirement imposed under the PAYE Regulations.

- (2) For the purposes of section 684(4A) as it applies by virtue of sub-paragraph (1)—
 - (a) in relation to a requirement for security under a notice under paragraph 29Q the period specified is the period which starts with the day the notice is given and ends with—
 - (i) the first day after the date specified under paragraph 29Q(1)(c); or
 - (ii) in a case which falls within paragraph 29R(2), the first day after the date determined under paragraph 29R(3);
 - (b) in relation to a requirement for security under a further notice the period specified is the period which starts with the day the further notice is given and ends with—
 - (i) the first day after the date specified under paragraph 29Q(1)(c) as it applies in relation to the further notice; or
 - (ii) in a case which falls within paragraph 29R(2), the first day after the date determined under paragraph 29R(3) as it applies in relation to the further notice; and
 - (c) in relation to a requirement for security to which paragraph 29V(7)(a) applies the period specified is the period which starts with the day the determination is made and ends with the first day after—
 - (i) the day the tribunal or court determines to be the day that the security is to be given; or
 - (ii) the day determined in accordance with that paragraph,
 as the case may be.]

PART IV

ASSESSMENT AND DIRECT COLLECTION

Provisions for direct payment

30. In cases of employed earner's employment, where the employer does not fulfil the conditions prescribed in regulation 145(1)(b) as to residence or presence in Great Britain or Northern Ireland or is a person who, by reason of any international treaty to which the United Kingdom is a party or of any international convention binding on the United Kingdom, is exempt from the provisions of the Act or is a person against whom, for a similar reason, the provisions of the Act are not enforceable, the provisions of paragraph 31 shall apply to the employee, unless the employer, being a person entitled to pay the primary contributions due in respect of the earnings from the said employment, is willing to pay those contributions.

^{F339} Application of paragraphs 31 and 31A

30A.—(1) Paragraph 31(4) to (7) does not apply on or after 6th April 2014.

(2) Paragraph 31(7A) and (7B) applies only in relation to closed tax years ending on or before 5th April 2014.

(3) Paragraph 31A applies on and after 6th April 2014.]

Textual Amendments

F339 Sch. 4 para. 30A inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **20**

Direct collection involving deductions working sheets

31.—(1) In any case falling within paragraph 30, ^{F340}... sub-paragraphs (2) to (8) shall apply.

(2) The employee ^{F341}... shall record on [^{F342}a working sheet] his name, national insurance number and category letter indicated by [^{F343}HMRC], and whenever, in respect of an employment such as is specified in paragraph 30, the employee receives any ^{F344}[^{F345}... earnings] during [^{F346}the relevant tax year], he shall also record on that working sheet the amount of the [^{F345}earnings], the date on which he received them, and the earnings-related contributions payable by him in respect of those [^{F345}earnings].

(3) Not later than the time for the payment of income tax, if any, the employee shall pay to [^{F343}HMRC] the amount of the earnings-related contributions payable by the employee in respect of the ^{F344}[^{F347}... earnings] which have been received by him and for which the income tax is or would have been payable.

^{F348}(3A) Before 20 May 2014 the employee must deliver to HMRC a return in the prescribed form for the tax year 2013-14 showing the following information:

- (a) the total amount of the ^{F344}... earnings and earnings-related contributions payable during the tax year 2013-14,
- (b) the appropriate category letter,
- (c) the employee's name and address, and
- (d) the employee's national insurance number, and

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the provisions of paragraph 22(5) regarding the certification and recovery of earnings-related contributions remaining unpaid by an employer for any year shall apply in the case of any earnings-related contributions remaining unpaid by the employee.]

(4) If, by the time specified in sub-paragraph (3), the employee has paid no amount of earnings-related contributions to [F343HMRC] in respect of the F344[F349 ... earnings] mentioned in that sub-paragraph, and [F343HMRC] is unaware of the amount, if any, which the employee is liable so to pay, or if an amount has been paid but [F343HMRC] is not satisfied that it is the full amount which the employee is liable to pay to him in respect of those [F349earnings], sub-paragraph (5) applies.

(5) If this sub-paragraph applies, [F343HMRC] may give notice to the employee requiring him to render, within the time limited in the notice, a return in the prescribed form containing particulars of all F344[F350 ... earnings] received by him during the period specified in the notice and such other particulars affecting the calculations of the earnings-related contributions payable in respect of the [F350earnings] in question as may be specified in the notice, and in such a case the provisions of—

- (a) paragraph 14 regarding the ascertaining and certifying by [F343HMRC] of earnings-related contributions payable by an employer, and
- (b) paragraph 16 regarding the recovery of those contributions.

shall apply with the necessary modifications for the purposes of ascertaining, certifying and recovering the earnings-related contributions payable by the employee.

(6) If the employee ceases to receive F344[F351 ... earnings] falling within sub-paragraph (2), he shall immediately render to [F352[F343HMRC], in such form as they may prescribe], a return showing such particulars as they may require for the identification of the employee, the year to which the return relates, the appropriate category letter, the last date on which he received any such [F351earnings], the total of those [F351earnings] and the earnings-related contributions payable from the beginning of the year to that date.

(7) [F353Before 20th May following] the end of the year, the employee shall (unless sub-paragraph (6) has applied) render to [F354[F343HMRC], in such form as they may prescribe], a return showing such particulars as they may require for the identification of the employee, the year to which the return relates, the total of the F344[F355 ... earnings] and earnings-related contributions payable during the year, together with the appropriate category letter, and the provisions of paragraph 22(5) regarding the certification and recovery of earnings-related contributions remaining unpaid by an employer for any year shall apply in the case of any earnings-related contributions remaining unpaid by the employee.

[F356(7A) Where a liability arises to pay contributions in respect of retrospective earnings relating to a closed tax year, the [F357employee] shall render a replacement return for the closed tax year before 20th May following the end of the year in which the relevant retrospective contributions regulations came into force in accordance with sub-paragraph (7), setting out the revised earnings and earnings-related contributions.

(7B) Where sub-paragraph (7A) applies, the [F357employee] shall amend the relevant deductions working sheet or where necessary prepare one in accordance with sub-paragraph (2)]

(8) The employee shall retain deductions working sheets F358 ... for not less than three years after the end of the year to which they relate.

(9) [F359Section 98A of the Taxes Management Act 1970 (special penalties in the case of certain returns) and Schedule 24 to the Finance Act 2007 (penalties for errors) as that Schedule applies to income tax returns] as modified by the provisions of paragraph 7 to Schedule 1 to the Act, shall apply in relation to the requirement to make a return contained in sub-paragraphs [F360[F361(3A)] and (7A)].

Textual Amendments

- F340** Words in Sch. 4 para. 31(1) omitted (6.4.2014) by virtue of The Social Security (Contributions) (Amendment) Regulations 2014 (S.I. 2014/608), regs. 1(1), **10(a)**
- F341** Words in Sch. 4 para. 31(2) omitted (6.4.2014) by virtue of The Social Security (Contributions) (Amendment) Regulations 2014 (S.I. 2014/608), regs. 1(1), **10(b)(i)**
- F342** Words in Sch. 4 para. 31(2) substituted (6.4.2014) by The Social Security (Contributions) (Amendment) Regulations 2014 (S.I. 2014/608), regs. 1(1), **10(b)(ii)**
- F343** Word in Sch. 4 para. 31 substituted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(16)(a)**
- F344** Word in Sch. 4 para. 31 omitted (6.4.2015) by virtue of The Social Security (Miscellaneous Amendments No. 2) Regulations 2015 (S.I. 2015/478), regs. 1(4), **22(6)**
- F345** Words in Sch. 4 para. 31(2) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **33(2)(b)**
- F346** Words in Sch. 4 para. 31(2) substituted (6.4.2014) by The Social Security (Contributions) (Amendment) Regulations 2014 (S.I. 2014/608), regs. 1(1), **10(b)(iii)**
- F347** Words in Sch. 4 para. 31(3) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **33(2)(c)**
- F348** Sch. 4 para. 31(3A) inserted (6.4.2014) by The Social Security (Contributions) (Amendment) Regulations 2014 (S.I. 2014/608), regs. 1(1), **10(c)**
- F349** Words in Sch. 4 para. 31(4) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **33(2)(d)**
- F350** Words in Sch. 4 para. 31(5) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **33(2)(e)**
- F351** Words in Sch. 4 para. 31(6) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **33(2)(f)(i)**
- F352** Words in Sch. 4 para. 31(6) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **33(2)(f)(ii)**
- F353** Words in Sch. 4 para. 31(7) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **33(2)(g)(i)**
- F354** Words in Sch. 4 para. 31(7) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **33(2)(g)(ii)**
- F355** Words in Sch. 4 para. 31(7) substituted (6.4.2004) by The Social Security (Contributions, Categorisation of Earners and Intermediaries) (Amendment) Regulations 2004 (S.I. 2004/770), regs. 1(1), **33(2)(g)(iii)**
- F356** Sch. 4 para. 31(7A)(7B) inserted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(16)(b)**
- F357** Word in Sch. 4 para. 31(7A)(7B) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Contributions) (Amendment and Application of Schedule 38 to the Finance Act 2012) Regulations 2013 (S.I. 2013/622), regs. 1, **21(3)**
- F358** Words in Sch. 4 para. 31(8) omitted (6.4.2014) by virtue of The Social Security (Contributions) (Amendment) Regulations 2014 (S.I. 2014/608), regs. 1(1), **10(d)**
- F359** Words in Sch. 4 para. 31(9) substituted (1.4.2008) by The Social Security (Contributions) (Amendment No. 3) Regulations 2008 (S.I. 2008/636), regs. 1(3)(a), **7(b)**
- F360** Words in Sch. 4 para. 31(9) substituted (6.4.2007) by The Social Security Contributions (Consequential Provisions) Regulations 2007 (S.I. 2007/1056), regs. 1, **8(16)(c)**
- F361** Word in Sch. 4 para. 31(9) substituted (6.4.2014) by The Social Security (Contributions) (Amendment) Regulations 2014 (S.I. 2014/608), regs. 1(1), **10(e)**

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[^{F362}**Direct collection involving deductions working sheets on and after 6th April 2014**

31A.—(1) On receiving any ^{F363}... earnings which fall to be recorded on a deductions working sheet under paragraph 31(2), subject to sub-paragraph (2), an employee must proceed in accordance with paragraph 21A(1), (2) and (5).

(2) If the employee falls within paragraph 21D(1)(a), the employee may instead proceed in accordance with paragraph 21D(3), (4) and (5).

(3) For the purposes of sub-paragraph (1), paragraph 21A(8) and paragraphs 21AB, 21AC, 21AD, 21B and 21C apply as if the employee were a Real Time Information employer.

(4) For the purposes of sub-paragraph (2), paragraph 21D(9) applies as if the employee were a Real Time Information employer.

(5) For the purposes of sub-paragraphs (1) and (2), paragraphs 15, 16, 21E, 21EA and 21F(7A) and (8) and Schedule 4A apply as if the employee were a Real Time Information employer, but the information required by paragraph 10(a) and (b) of that Schedule need not be provided.]

Textual Amendments

F362 Sch. 4 para. 31A inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **22**

F363 Word in Sch. 4 para. 31A(1) omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(6)**

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Changes to legislation:

There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, SCHEDULE 4.