

1983 No. 64

SOCIAL SECURITY

The Social Security (Contributions) (Amendment No. 3) Regulations
(Northern Ireland) 1983

Made 23rd March 1983

Coming into operation 6th April 1983

The Department of Health and Social Services for Northern Ireland, in exercise of the powers conferred on it by section 3(1B), (2) and (3) of, and paragraphs 5(1) and 8(1) of Schedule 1 to, the Social Security (Northern Ireland) Act 1975(a) and Article 11(10) of the Social Security (Northern Ireland) Order 1982(b) and of all other powers enabling it in that behalf and with the concurrence of the Inland Revenue in so far as their concurrence is required, hereby makes the following regulations which correspond to provision contained in regulations made by the Secretary of State for Social Services in relation to Great Britain and which accordingly, by virtue of section 10(2) of, and paragraph 21 of Schedule 3 to, the Social Security Act 1980(c) are not subject to the requirement of section 10(1) of that Act for prior reference to the Social Security Advisory Committee:

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Social Security (Contributions) (Amendment No. 3) Regulations (Northern Ireland) 1983 and shall come into operation on 6th April 1983.

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

Insertion of regulation 17B in the principal regulations

2. After regulation 17A of the principal regulations (payments to directors to be treated as earnings) there shall be inserted the following regulation—

“Manner of making sickness payments treated as remuneration

17B. Where by virtue of section 3(1A) of the Act(e) (earnings) a sickness payment is treated as remuneration derived from an employed earner’s employment, such payment shall be made through the person who is the secondary contributor in relation to the employment concerned except where—

- (a) the payment is payable by another person, and
- (b) that person has agreed with the secondary contributor to make the payment, and
- (c) arrangements have been made between them for the person who has agreed to make the payment to furnish the secondary contributor with the information specified in Regulation 3(3)(a) of Schedule 1 to these regulations (intermediate employers).”

(a) 1975 c. 15; section 3(1B) and paragraph 8(1) were inserted by Article 30 of the Social Security (Northern Ireland) Order 1982 (S.I. 1982/1084 (N.I. 16)); and paragraph 5(1) was extended by Article 11(4) of that Order

(b) S.I. 1982/1084 (N.I. 16)

(c) 1980 c. 30

(d) S.R. 1979 No. 186; the relevant amending regulations are S.R. 1980 No. 463, 1981 No. 30, 1982 Nos. 69 and 267 and 1983 No. 8

(e) Section 3(1A) was inserted by Article 30(1) of the Social Security (Northern Ireland) Order 1982

Amendment of regulation 19 of the principal regulations

3. In regulation 19 of the principal regulations (payments to be disregarded)—

(a) in sub-paragraph (1)(e) after “to or by trustees,” there shall be inserted “not being a sickness payment which by virtue of section 3(1A) of the Act is treated as remuneration derived from an employed earner’s employment,”;

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

“(1A) Where the funds for making a sickness payment under arrangements of the kind mentioned in section 3(1A)(b) of the Act are attributable in part to contributions to those funds made by the employed earner, for the purposes of section 3(1A) of the Act there shall be disregarded that part of the sickness payment which is attributable to those contributions.”.

Amendment of Regulations 2, 3, 6, 13, 26, 27, 30 and 32, and insertion of Regulation 5A, in Schedule 1 to the principal regulations

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

(2) In Regulation 2(1) (interpretation) after the definition of national insurance number there shall be inserted—

““statutory sick pay” means any sum treated as remuneration by virtue of Article 25 of the Social Security (Northern Ireland) Order 1982;”.

(3) After paragraph (2) of Regulation 3 (intermediate employers) there shall be inserted the following paragraph—

“(3) Where an employee is paid a sickness payment which by virtue of regulation 17B of the Main Regulations (manner of making sickness payments treated as remuneration) is not made through the secondary contributor in relation to the employment concerned—

(a) the person making such payment shall furnish the secondary contributor with such particulars of that payment as may be necessary to enable the secondary contributor to comply with the provisions of these Regulations, and

(b) for the purposes only of these Regulations the said secondary contributor shall be deemed to have made the sickness payment.”.

(4) After Regulation 5 (service by post) there shall be inserted the following Regulation—

“Offences and penalties in relation to statutory sick pay

5A. Article 11(8) and (9) of the Social Security (Northern Ireland) Order 1982 shall apply, in place of the provision made by section 98(2) of the Taxes Management Act 1970(a) (penalties for providing false information etc.) as applied by paragraph 5(2) of Schedule 1 to the Act, in relation to any of the requirements regarding statutory sick pay specified in Regulations 13(6), 27(1)(b) and 30(1)(d) and (2)(d) of these Regulations.”.

(5) In Regulation 6(1) (deduction of earnings-related contributions) after “contributions are payable” there shall be inserted “or on making any payment of statutory sick pay”.

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

(a) in sub-paragraph (2A)(b) after head (iv) there shall be inserted the following head—

“; or

- (v) the emoluments in respect of which the underdeduction occurred are, by virtue of regulation 17B of the Main Regulations, not paid through the secondary contributor in relation to the employment.”;
- (b) in sub-paragraph (6)(b) for heads (ii) and (iii) there shall be substituted the following heads—
 - “(ii) any statutory sick pay;
 - (iii) all the earnings-related contributions payable on the emoluments otherwise than under paragraph (2A) of this Regulation;
 - (iv) the primary Class 1 contributions under the Act included in the amount recorded under head (iii);”;
- (c) in sub-paragraph (6)(c) for “(iii)” there shall be substituted “(iv)”;
- (d) in paragraph (6B) for “(ii)” and “(iii)” there shall be substituted “(iii)” and “(iv)”, respectively.

(7) In Regulation 26(1) (payment of earnings-related contributions by employer) after the words “which he did not deduct”, where they first appear, there shall be inserted “and amounts which he deducted by virtue of regulation 2 of the Statutory Sick Pay (Compensation of Employers) and Miscellaneous Provisions Regulations (Northern Ireland) 1983(a)”.

(8) In Regulation 27 (employer failing to pay earnings-related contributions)—

- (a) in sub-paragraph (1)(b) after “during that period” there shall be inserted “, showing separately the calculations for, and the amount of, any statutory sick pay”;
- (b) at the end of paragraph (2) there shall be inserted “, excluding therefrom any amount deducted by the employer by virtue of regulation 2 of the Statutory Sick Pay (Compensation of Employers) and Miscellaneous Provisions Regulations (Northern Ireland) 1983”.

(9) In Regulation 30 (return by employer at end of year)—

- (a) in head (i) of sub-paragraph (1)(c) for “(ii)” and “(iii)” there shall be substituted “(iii)” and “(iv)”, respectively;
- (b) after sub-paragraph (1)(c) there shall be inserted the following sub-paragraph—

“, and

(d) the total amount of any statutory sick pay paid during the year.”;

- (c) after sub-paragraph (2)(c) there shall be inserted the following sub-paragraph—

“; and

(d) the total amount of any statutory sick pay paid during that year to:—

- (i) each employee,
- (ii) all his employees.”;

- (d) in paragraph (6) after “unpaid for that year” there shall be inserted “, excluding any amount deducted by the employer by virtue of regulation 2 of the Statutory Sick Pay (Compensation of Employers) and Miscellaneous Provisions Regulations (Northern Ireland) 1983”.

(10) In Regulation 32(2)(a) (inspection of employer’s records) after “to the Collector” there shall be inserted “, excluding therefrom any amount deducted by the employer by virtue of regulation 2 of the Statutory Sick Pay (Compensation of Employers) and Miscellaneous Provisions Regulations (Northern Ireland) 1983”.

Sealed with the Official Seal of the Department of Health and Social Services for Northern Ireland on 23rd March 1983.

(L.S.)

A. N. Burns

Assistant Secretary

The Commissioners of Inland Revenue hereby concur.

By Order of the Commissioners of Inland Revenue.

J. D. Taylor Thompson

Secretary

24th March 1983

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These regulations further amend the Social Security (Contributions) Regulations (Northern Ireland) 1979 ("the principal regulations") by providing for the manner of making sickness payments to which section 3(1A) of the Social Security (Northern Ireland) Act 1975 ("the Act") applies; for disregarding from the computation of earnings that part of a sickness payment as is attributable to contributions made by an employed earner; and for amending the provisions of Schedule 1 to the principal regulations (which contains the provisions of the Income Tax (Employments) Regulations 1973 (S.I. 1973/334) as they apply to earnings-related contributions under the Act) to take into account the payment of statutory sick pay.

Regulation 2 inserts regulation 17B in the principal regulations and prescribes the manner of making sickness payments treated as remuneration derived from an employed earner's employment by virtue of section 3(1A) of the Act. Any such sickness payment is to be made through the secondary contributor unless three conditions are satisfied. The first is that the sickness payment is payable by another person. The second is that that person has agreed with the secondary contributor to make the payment; and the third is that arrangements have been made between them for the person who has agreed to make the payment to furnish the secondary contributor with the information specified in Regulation 3(3)(a) in Schedule 1 to the principal regulations.

Regulation 3 amends regulation 19 of the principal regulations. It provides that where a sickness payment is treated as remuneration derived from an employed earner's employment, for the purposes of earnings-related contributions that part of the payment which is attributable to the earner's contribution shall be disregarded from the computation of his earnings. It also makes a consequential amendment to regulation 19.

Regulation 4 amends Schedule 1 to the principal regulations—

Regulation 4(2) inserts a definition of statutory sick pay into Regulation 2(1) in Schedule 1.

Regulation 4(3) amends Regulation 3 in Schedule 1. It provides that where a sickness payment which by virtue of regulation 17B of the principal regulations is made through a person other than the secondary contributor, the person making the sickness payment shall furnish the secondary contributor with such particulars of the payment as are necessary to enable him to comply with the provisions of Schedule 1 to the principal regulations; and for the purposes only of those provisions the secondary contributor is deemed to have made the payment.

Regulation 4(4) inserts Regulation 5A into Schedule 1. It applies the offences and penalties provided for in Article 11(8) and (9) of the Social Security (Northern Ireland) Order 1982 to the requirements concerning statutory sick pay in Regulations 13(6), 27(1)(b) and 30(1)(d) and (2)(d) in Schedule 1 in place of those provided for in section 98(2) of the Taxes Management Act 1970.

Regulation 4(5) to (10) amends Schedule 1 by prescribing the records of statutory sick pay which the employer is required to keep, and to take into account the provisions of the Statutory Sick Pay (Compensation of Employers) and Miscellaneous Provisions Regulations (Northern Ireland) 1983 ("the Deduction Regulations").

Regulation 4(5) amends Regulation 6(1) in Schedule 1. It requires the employer to prepare or maintain a deductions working sheet on making any payment of statutory sick pay.

Regulation 4(6) amends Regulation 13 in Schedule 1. Paragraph (a) amends Regulation 13(2A) so that an employer may recover an amount of contributions underdeducted from a payment of emoluments from a subsequent payment of emoluments where the emoluments in respect of which the underdeduction occurred are a sickness payment within the meaning of section 3(1A) of the Act and which, by virtue of regulation 17B of the principal regulations, are not paid through the secondary contributor. Paragraph (b) amends Regulation 13(6) by making provision for the recording of particulars of any payment of statutory sick pay.

Regulation 4(7) amends Regulation 26(1) in Schedule 1 consequent on regulation 2 of the Deduction Regulations.

Regulation 4(8) amends Regulation 27 in Schedule 1. Paragraph (a) amends the Regulation by requiring the employer to provide the Collector of Taxes with particulars of the calculations for, and amount of, any statutory sick pay, in a case where the employer has failed to pay any contributions under Regulation 26(1) in Schedule 1. Paragraph (b) amends Regulation 27(2) so as to exclude from the certificate issued by the Collector of Taxes, where the employer has failed to pay contributions in accordance with Regulation 26(1), the amount in respect of statutory sick pay which the employer is entitled to deduct under the Deduction Regulations from the contributions he is liable to pay.

Regulation 4(9) amends Regulation 30 in Schedule 1 by requiring particulars of the total payments of any statutory sick pay to be recorded on the employer's end-of-year returns. The total of any statutory sick pay paid during the year is to be recorded on the employer's certificate in relation to each employee, and in relation to all employees. Paragraph (d) amends Regulation 30(6) so as to exclude from the certificate which the Collector of Taxes may issue to show the contributions remaining unpaid for the year any amount of statutory sick pay which the employer has deducted, under the Deduction Regulations, from the contributions he is liable to pay.

Regulation 4(10) amends Regulation 32 in Schedule 1 so as to exclude from the certificate which the Collector of Taxes may issue to show contributions due on making an inspection under Regulation 32 any amount of statutory sick pay which the employer has deducted, under the Deduction Regulations, from the contributions he is liable to pay.

The remaining amendments to Schedule 1 are consequent upon the foregoing.

1983 No. 65

Road Races (Benbradagh Hill Climb) Order (Northern Ireland) 1983

This Order, being of a temporary character, is not printed at length in this volume.