

1987 No. 348

SOCIAL SECURITY

**The Social Security (Contributions) (Amendment No. 3)
Regulations (Northern Ireland) 1987**

Made 8th September 1987

Coming into operation 6th October 1987

The Department of Health and Social Services for Northern Ireland, in exercise of the powers conferred on it by section 3(2) and (3) of the Social Security (Northern Ireland) Act 1975(a) and of all other powers enabling it in that behalf, hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Social Security (Contributions) (Amendment No. 3) Regulations (Northern Ireland) 1987 and shall come into operation on 6th October 1987.

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

Amendment of regulation 19 of the principal regulations

2. In regulation 19 of the principal regulations (payments to be disregarded) paragraph (1)(e) shall be omitted.

Insertion of regulation 19A in the principal regulations

3. After regulation 19 of the principal regulations there shall be inserted the following regulation—

“Certain payments by trustees to be disregarded

19A.—(1) For the purposes of earnings-related contributions, there shall be excluded from the computation of a person’s earnings in respect of any employed earner’s employment any payment, or any part of a payment,—

- (a) which is made by trustees before 6th April 1990;
- (b) the amount of which is or may be dependent upon the exercise by the trustees of a discretion or the performance by them of a duty arising under the trust; and
- (c) not being a sickness payment which by virtue of section 3(1A) of the Act(c) is treated as remuneration derived from an employed earner’s employment,

(a) 1975 c. 15

(b) S.R. 1979 No. 186; relevant amending regulations are S.R. 1983 No. 64

(c) Section 3(1A) was inserted by Article 30(1) of the Social Security (Northern Ireland) Order 1982 (S.I. 1982/1084 (N.I. 16))

and in respect of which either the condition contained in paragraph (2) or the conditions contained in paragraph (3) of this regulation is or are satisfied.

(2) The condition referred to in paragraph (1) of this regulation as being contained in this paragraph is that the trust under which the payment is made was created before 6th April 1985.

(3) The conditions referred to in paragraph (1) of this regulation as being contained in this paragraph are—

- (a) that the trust under which the payment is made was created on or after 6th April 1985;
- (b) that that trust took effect immediately on the termination of a trust created before 6th April 1985;
- (c) that the person to whom the payment is made either—
 - (i) was a beneficiary under the earlier trust, or
 - (ii) would have been such a beneficiary if while the earlier trust was subsisting, he had held the employment in respect of which the payment is made; and
- (d) that there were or are payments under the earlier trust which—
 - (i) in the case of payments made before 6th October 1987, were excluded from the computation of the earnings of the person or persons to whom they were made by virtue of regulation 19(1)(e) of these regulations as in operation immediately before that date,
 - (ii) in the case of payments made on or after 6th October 1987, are payments made in circumstances to which sub-paragraphs (a), (b) and (c) of this paragraph apply.”

Sealed with the Official Seal of the Department of Health and Social Services for Northern Ireland on 8th September 1987.

(L.S.)

A. N. Burns

Assistant Secretary

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”). They correspond to provision contained in regulations made by the Secretary of State for Social Services in relation to Great Britain and accordingly by virtue of section 10(2) of, and paragraph 21 of Schedule 3 to, the Social Security Act 1980 (c. 30) are not subject to the requirement of section 10(1) of that Act for prior reference to the Social Security Advisory Committee.

They omit regulation 19(1)(e) of, and insert a new regulation 19A into, the principal regulations. The new regulation provides for the disregard, for the purposes of earnings-related contributions, of certain payments made by trustees before 6th April 1990.