
STATUTORY RULES OF NORTHERN IRELAND

1997 No. 31

SOCIAL SECURITY; PENSIONS

The Social Security (Contracting-out and Qualifying Earnings Factor) Regulations (Northern Ireland) 1997

Made - - - - *28th January 1997*

Coming into operation *6th April 1997*

The Department of Health and Social Services for Northern Ireland, in exercise of the powers conferred on it by sections 44A(5) and 177(3) and (4) of the Pension Schemes (Northern Ireland) Act 1993(1) 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 (Contracting-out and Qualifying Earnings Factor) Regulations (Northern Ireland) 1997 and shall come into operation on 6th April 1997.

(2) In these Regulations—

“the Contributions and Benefits Act” means the Social Security Contributions and Benefits (Northern Ireland) Act 1992(2);

“the Pension Schemes Act” means the Pension Schemes (Northern Ireland) Act 1993.

(3) The Interpretation Act (Northern Ireland) 1954(3) shall apply to these Regulations as it applies to a Measure of the Assembly.

Modification of the application of section 44(5) of the Contributions and Benefits Act

2.—(1) Where, by virtue of section 44A(1) of the Pension Schemes Act, section 44(6) of the Contributions and Benefits Act(4) has effect for the tax year 1997-98 or any later tax year, in relation to some but not all of the earnings of an earner, the application of section 44(5) of the Contributions and Benefits Act(5) is modified for that year in accordance with this regulation.

(1) 1993 c. 49; section 44A was inserted by Article 137(1) of the Pensions (Northern Ireland) Order 1995 (S.I.1995/3213 (N.I. 22))

(2) 1992 c. 7

(3) 1954 c. 33 (N.I.)

(4) See paragraphs 1 to 3 of Schedule 4 to the Social Security (Consequential Provisions) (Northern Ireland) Act 1992 (c. 9) and Article 125(2) and (4) to (6) of the Pensions (Northern Ireland) Order 1995

(5) See Article 125(1) and (4) to (6) of the Pensions (Northern Ireland) Order 1995

(2) In a case where the year is one in which the amount of a Class 1 contribution in respect of the earnings paid to or for the benefit of an earner in a tax week is reduced under section 37 or 38A of the Pension Schemes Act(6) (reduced rates of Class 1 contributions for earners in contracted-out employment) section 44(5) of the Contributions and Benefits Act is modified so that the qualifying earnings factor for the purposes of section 44(5)(a) of that Act shall be calculated by applying the formula—

$$L \times (52 - N)$$

where—

L is the weekly lower earnings limit for the final relevant year; and

N is the number of tax weeks in which a Class 1 contribution for the earner is reduced in accordance with section 37 or 38A of the Pension Schemes Act.

(3) In a case where the year is one in which an amount is paid in respect of an earner under section 41(1) of the Pension Schemes Act(7) (minimum contributions towards appropriate personal pension schemes) section 44(5) of the Contributions and Benefits Act is modified so that the qualifying earnings factor for the purposes of section 44(5)(a) of that Act shall be zero.

Sealed with the Official Seal of the Department of Health and Social Services for Northern Ireland
on

L.S.

28th January 1997.

John O'Neill
Assistant Secretary

(6) Section 37(1) was substituted by Article 134(2) of the Pensions (Northern Ireland) Order 1995 and section 38A was inserted by Article 134(4) of that Order

(7) Section 41(1) is substituted by Article 135(2) of the Pensions (Northern Ireland) Order 1995

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations modify the application of section 44(5) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (Category A retirement pension) in relation to an earner who has earnings in a tax year beginning on or after 6th April 1997, part of which are in respect of contracted-out employment and part of which are not, or an earner in respect of whom minimum contributions are paid for part of a tax year.

Regulation 2 modifies the calculation of the qualifying earnings factor in relation to such a tax year so that entitlement to additional pension is not affected.

These Regulations are made under section 44A(5) of the Pension Schemes (Northern Ireland) Act 1993. Section 44A was inserted by Article 137(1) of the Pensions (Northern Ireland) Order 1995 which came into operation, for the purpose only of authorising the making of regulations, on 6th April 1996 by virtue of the Pensions (1995 Order) (Commencement No. 2) Order (Northern Ireland) 1996 (S.R. 1996 No. 91 (C. 4)).