

Status: Point in time view as at 12/02/2015.

Changes to legislation: Social Security Contributions and Benefits Act 1992, Paragraph 7B is up to date with all changes known to be in force on or before 20 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

SCHEDULES

SCHEDULE 1

SUPPLEMENTARY PROVISIONS RELATING TO CONTRIBUTIONS OF CLASSES 1, 1A, [F11B,] 2 AND 3

Textual Amendments

- F1** Word in Sch. 1 heading inserted (6.4.1999) by Social Security Act 1998 (c. 14), s. 87(2), **Sch. 7 para. 77(1)**; S.I. 1998/2209, art. 2(c), Sch. Pt. 3

[F1 Collection of contributions [F1 otherwise than through PAYE system]

Textual Amendments

- F1** Words in Sch. 1 para. 7B cross-heading substituted (4.3.1999 for specified purposes, 1.4.1999 for remaining purposes) by Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2), s. 28(3), **Sch. 9 para. 7(2)**; S.I. 1999/527, art. 2(a)(b), Schs. 1, 2 (with arts. 3-6)
- F1** Sch. 1 para. 7B and cross-heading inserted (4.3.1999 for specified purposes, 6.4.1999 in so far as not already in force) by Social Security Act 1998 (c. 14), **ss. 57, 87(2)**; S.I. 1999/526, art. 2(1)(2)(c)

- 7B** (1) [F2The Treasury may by regulations] provide that, in such cases or circumstances as may be [F3prescribed, Class 1, Class 1A, Class 1B or Class 2 contributions shall be paid to the Inland Revenue in a manner different from that in which income tax in relation to which [F4PAYE regulations] apply is payable.]
- (2) Regulations under this paragraph may, in particular—
- provide for returns to be made to the [F5Inland Revenue] by such date as may be prescribed;
 - prescribe the form in which returns are to be made, or provide for returns to be made in such form as the [F5Inland Revenue] may approve;
 - prescribe the manner in which contributions are to be paid, or provide for contributions to be paid in such manner as the [F5Inland Revenue] may approve;
 - prescribe the due date for the payment of contributions;
 - [F6(e) require interest to be paid on contributions that are not paid by the due date, and provide for determining the date from which such interest is to be calculated;]
 - provide for interest to be paid on contributions that fall to be repaid;
 - provide for determining the date from which interest to be charged or paid pursuant to regulations under paragraph (e) or (f) above is to be calculated;
 - provide for penalties to be imposed in respect of a person who—

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- (i) fails to submit, within the time allowed, a return required to be made in accordance with regulations under paragraph (a) above;
- (ii) in making such a return, fraudulently or negligently fails to provide any information or computation that he is required to provide;
- (iii) in making such a return, fraudulently or negligently provides any incorrect information or computation; or
- (iv) fails to pay Class 2 contributions by the due date;
- (i) provide for a penalty imposed pursuant to regulations under paragraph (h) above to carry interest from the date on which it becomes payable until payment.

(3) Where—

- (a) a decision relating to contributions falls to be made under section 8, 9, 10, 12, 14 or 15 of the Social Security Act 1998; and
- (b) the decision will affect a person’s liability for, or the amount of, any interest due in respect of those contributions,

regulations under sub-paragraph (2)(e) above shall not require any such interest to be paid until the decision has been made.

^{F7}(4)

(5) Regulations under sub-paragraph (2)(h) above shall—

- (a) prescribe the rates of penalty, or provide for how they are to be ascertained;
- (b) ^{F8}... provide for the penalty to be imposed by the [^{F9}Inland Revenue]—
 - (i) within six years after the date on which the penalty is incurred; or
 - (ii) where the amount of the penalty is to be ascertained by reference to the amount of any contributions payable, at any later time within three years after the final determination of the amount of those contributions;
- (c) provide for determining the date on which, for the purposes of paragraph (b) above, the penalty is incurred;
- (d) prescribe the means by which the penalty is to be enforced; and
- (e) provide for enabling the [^{F10}Inland Revenue, in their] discretion, to mitigate or to remit the penalty, or to stay or to compound any proceedings for it.

[Regulations under this paragraph may, in relation to any penalty imposed by such ^{F11}(5A) regulations, make provision applying (with or without modifications) any enactment applying for the purposes of income tax that is contained in Part X of the Taxes Management Act 1970 (penalties).]

^{F12}(6)

^{F13}(7)

(8) Interest or penalties may be charged by virtue of regulations under this paragraph in respect of a period before the coming into force of section 57 of the Social Security Act 1998 but only to the extent that interest or penalties would have been chargeable if the contributions in question had been recoverable, in respect of that period, by virtue of regulations under paragraph 6 above.

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- (9) Any reference to contributions in sub-paragraph (1) above shall be construed as including a reference to any interest or penalty payable, in respect of contributions, by virtue of regulations under paragraph (e) or (h) of sub-paragraph (2) above.
- (10) The rate of interest applicable for any purpose of this paragraph shall be the rate from time to time prescribed under section 178 of the Finance Act 1989 for the corresponding purpose of paragraph 6 above.]

Textual Amendments

- F2** Words in Sch. 1 para. 7B(1) substituted (1.4.1999) by [Social Security Contributions \(Transfer of Functions, etc.\) Act 1999 \(c. 2\), s. 28\(3\), Sch. 3 para. 38](#); S.I. 1999/527, art. 2(b), Sch. 2 (with arts. 3-6)
- F3** Words in Sch. 1 para. 7B(1) substituted (4.3.1999 for specified purposes, 1.4.1999 in so far as not already in force) by [Social Security Contributions \(Transfer of Functions, etc.\) Act 1999 \(c. 2\), s. 28\(3\), Sch. 9 para. 7\(3\)](#); S.I. 1999/527, art. 2(a)(b), Schs. 1, 2 (with arts. 3-6)
- F4** Words in Sch. 1 para. 7B(1) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723, Sch. 6 para. 185\(e\)](#) (with Sch. 7)
- F5** Words in Sch. 1 para. 7B(1) substituted (4.3.1999 for specified purposes, 1.4.1999 in so far as not already in force) by [Social Security Contributions \(Transfer of Functions, etc.\) Act 1999 \(c. 2\), s. 28\(3\), Sch. 9 para. 7\(3\)](#); S.I. 1999/527, art. 2(a)(b), Schs. 1, 2 (with arts. 3-6)
- F6** Sch. 1 para. 7B(2)(e) substituted (28.7.2000) by [Child Support, Pensions and Social Security Act 2000 \(c. 19\), ss. 76\(3\), 86](#)
- F7** Sch. 1 para. 7B(4) repealed (4.3.1999 for specified purposes, 1.4.1999 in so far as not already in force) by [Social Security Contributions \(Transfer of Functions, etc.\) Act 1999 \(c. 2\), s. 28\(3\), Sch. 9 para. 7\(5\), Sch. 10 Pt. I](#); S.I. 1999/527, art. 2(a)(b), Schs. 1, 2 (with arts. 3-6)
- F8** Words in Sch. 1 para. 7B(5)(b) repealed (4.3.1999 for specified purposes, 1.4.1999 in so far as not already in force) by [Social Security Contributions \(Transfer of Functions, etc.\) Act 1999 \(c. 2\), s. 28\(3\), Sch. 9 para. 7\(6\)\(a\), Sch. 10 Pt. I](#); S.I. 1999/527, art. 2(a)(b), Schs. 1, 2 (with arts. 3-6)
- F9** Words in Sch. 1 para. 7B(5)(b) substituted (4.3.1999 for specified purposes, 1.4.1999 in so far as not already in force) by [Social Security Contributions \(Transfer of Functions, etc.\) Act 1999 \(c. 2\), s. 28\(3\), Sch. 9 para. 7\(6\)\(a\)](#); S.I. 1999/527, art. 2(a)(b), Schs. 1, 2 (with arts. 3-6)
- F10** Words in Sch. 1 para. 7B(5)(e) substituted (4.3.1999 for specified purposes, 1.4.1999 in so far as not already in force) by [Social Security Contributions \(Transfer of Functions, etc.\) Act 1999 \(c. 2\), s. 28\(3\), Sch. 9 para. 7\(6\)\(b\)](#); S.I. 1999/527, art. 2(a)(b), Schs. 1, 2 (with arts. 3-6)
- F11** Sch. 1 para. 7B(5A) inserted (28.7.2000) by [Child Support, Pensions and Social Security Act 2000 \(c. 19\), ss. 76\(4\), 86](#)
- F12** Sch. 1 para. 7B(6) repealed (4.3.1999 for specified purposes, 1.4.1999 in so far as not already in force) by [Social Security Contributions \(Transfer of Functions, etc.\) Act 1999 \(c. 2\), s. 28\(3\), Sch. 9 para. 7\(5\), Sch. 10 Pt. I](#); S.I. 1999/527, art. 2(a)(b), Schs. 1, 2 (with arts. 3-6)
- F13** Sch. 1 para. 7B(7) omitted (with effect in relation to a Class 2 contribution in respect of a week in the tax year 2015-16 or a subsequent tax year) by virtue of [National Insurance Contributions Act 2015 \(c. 5\), Sch. 1 paras. 9\(2\), 36](#)

Modifications etc. (not altering text)

- C1** Sch. 1 para. 7B modified by [Finance Act 2007 \(c. 11\), s. 97\(2\), Sch. 24 para. 30](#) (as amended (21.7.2009) by [Finance Act 2009 \(c. 10\), Sch. 57 para. 9](#))
- C2** Sch. 1 para. 7B modified (1.4.2013) by [Finance Act 2012 \(c. 14\), Sch. 38 para. 54](#); S.I. 2013/279, art. 2

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