

**Changes to legislation:** Social Security Contributions and Benefits Act 1992, Part 3 is up to date with all changes known to be in force on or before 04 July 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) View outstanding changes

## SCHEDULES

### [<sup>F1</sup>SCHEDULE 4B E+W+S

#### ADDITIONAL PENSION: ACCRUAL RATES FOR PURPOSES OF SECTION 45(2)(D)

##### Textual Amendments

- F1** Sch. 4B inserted (26.9.2007) by [Pensions Act 2007 \(c. 22\)](#), s. 30(3), [Sch. 2 para. 1](#)

### PART 3 E+W+S

#### CONTRACTED-OUT EMPLOYMENT

##### *Application*

- 6 This Part applies to a relevant year if [<sup>F2</sup>—
- (a)] the contracted-out condition is satisfied in respect of each tax week in the year; [<sup>F3</sup>and
  - (b) there would be a surplus in the pensioner's earnings factor for the year if section 48A of the Pension Schemes Act 1993 did not apply in relation to any tax week falling in the year.]

##### Textual Amendments

- F2** Words in Sch. 4B para. 6 inserted (3.1.2012) by [Pensions Act 2008 \(c. 30\)](#), s. 149(1), [Sch. 4 para. 12\(5\)\(a\)](#); S.I. 2011/3033, art. 2(c)(xii)
- F3** Sch. 4B para. 6(b) and preceding word inserted (3.1.2012) by [Pensions Act 2008 \(c. 30\)](#), s. 149(1), [Sch. 4 para. 12\(5\)\(b\)](#); S.I. 2011/3033, art. 2(c)(xii)

##### *Appropriate amount for year*

- 7 The appropriate amount for the year for the purposes of paragraph 1 is calculated as follows—
- (a) calculate amounts A and B in accordance with paragraphs 8 to 10;
  - (b) subtract amount B from amount A.

*Amount A: assumed [<sup>F4</sup>earnings factor] not exceeding LET*

##### Textual Amendments

- F4** Words in Sch. 4B para. 8 cross-heading substituted (3.1.2012) by [Pensions Act 2008 \(c. 30\)](#), s. 149(1), [Sch. 4 para. 12\(6\)](#); S.I. 2011/3033, art. 2(c)(xii)

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- 8 (1) Amount A is calculated in accordance with this paragraph if [<sup>F5</sup>the pensioner's assumed earnings factor for the year] does not exceed the LET.
- (2) In such a case, amount A is the flat rate amount for the year.
- (3) [<sup>F6</sup>Where the final relevant year is 2015-16 or an earlier tax year,] the flat rate amount for the year is calculated by multiplying the FRAA in accordance with the last order under section 148AA of the Administration Act to come into force before the end of the final relevant year.
- [ Otherwise, the flat rate amount is calculated by increasing the FRAA by the <sup>F7</sup>(4) percentage by which earnings factors for 2015-16 are directed to be increased by the last order under section 148 of the Administration Act to come into force before the end of the final relevant year.]

#### Textual Amendments

- F5** Words in Sch. 4B para. 8(1) substituted (3.1.2012) by [Pensions Act 2008 \(c. 30\), s. 149\(1\), Sch. 4 para. 12\(6\)](#); S.I. 2011/3033, art. 2(c)(xii)
- F6** Words in Sch. 4B para. 8(3) inserted (6.4.2016) by [The Pensions Act 2014 \(Consequential and Supplementary Amendments\) Order 2016 \(S.I. 2016/224\), arts. 1\(2\), 2\(6\)\(a\)](#)
- F7** Sch. 4B para. 8(4) inserted (6.4.2016) by [The Pensions Act 2014 \(Consequential and Supplementary Amendments\) Order 2016 \(S.I. 2016/224\), arts. 1\(2\), 2\(6\)\(b\)](#)

*Amount A: assumed [<sup>F8</sup>earnings factor] exceeding LET*

#### Textual Amendments

- F8** Words in Sch. 4B para. 9 cross-heading substituted (3.1.2012) by [Pensions Act 2008 \(c. 30\), s. 149\(1\), Sch. 4 para. 12\(7\)](#); S.I. 2011/3033, art. 2(c)(xii)

- 9 (1) Amount A is calculated in accordance with this paragraph if [<sup>F9</sup>the pensioner's assumed earnings factor for the year] exceeds the LET.
- (2) In such a case, amount A is calculated as follows—
- (a) take the part of the [<sup>F10</sup>assumed earnings factor] for the year which exceeds the LET <sup>F11</sup>...;
  - (b) multiply that amount in accordance with the last order under section 148 of the Administration Act to come into force before the end of the final relevant year;
  - (c) multiply the amount found under paragraph (b) by 10%;
  - (d) divide the amount found under paragraph (c) by 44;
  - (e) add the amount found under paragraph (d) to the flat rate amount for the year.
- (3) [<sup>F12</sup>Where the final relevant year is 2015-16 or an earlier tax year,] the flat rate amount for the year is calculated by multiplying the FRAA in accordance with the last order under section 148AA of the Administration Act to come into force before the end of the final relevant year.
- [ Otherwise, the flat rate amount is calculated by increasing the FRAA by the <sup>F13</sup>(4) percentage by which earnings factors for 2015-16 are directed to be increased by the

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last order under section 148 of the Administration Act to come into force before the end of the final relevant year.]

#### Textual Amendments

- F9** Words in Sch. 4B para. 9(1) substituted (3.1.2012) by [Pensions Act 2008 \(c. 30\), s. 149\(1\)](#), [Sch. 4 para. 12\(7\)\(a\)](#); S.I. 2011/3033, art. 2(c)(xii)
- F10** Words in Sch. 4B para. 9(2)(a) substituted (3.1.2012) by [Pensions Act 2008 \(c. 30\), s. 149\(1\)](#), [Sch. 4 para. 12\(7\)\(b\)](#); S.I. 2011/3033, art. 2(c)(xii)
- F11** Words in Sch. 4B para. 9(2)(a) repealed (21.9.2008) by [National Insurance Contributions Act 2008 \(c. 16\), s. 6\(1\)](#), [Sch. 2](#)
- F12** Words in Sch. 4B para. 9(3) inserted (6.4.2016) by [The Pensions Act 2014 \(Consequential and Supplementary Amendments\) Order 2016 \(S.I. 2016/224\)](#), arts. 1(2), [2\(7\)\(a\)](#)
- F13** Sch. 4B para. 9(4) inserted (6.4.2016) by [The Pensions Act 2014 \(Consequential and Supplementary Amendments\) Order 2016 \(S.I. 2016/224\)](#), arts. 1(2), [2\(7\)\(b\)](#)

#### *Amount B*

- 10 (1) Amount B is calculated as follows—
- (a) take the part of the [<sup>F14</sup>pensioner's assumed earnings factor] for the year which exceeds the QEF <sup>F15</sup>...;
  - (b) multiply that amount in accordance with the last order under section 148 of the Administration Act to come into force before the end of the final relevant year;
  - (c) multiply the amount found under paragraph (b) by 20%;
  - (d) divide the amount found under paragraph (c) by the number of relevant years in the pensioner's working life.
- (2) Section 44B is to be ignored in applying section 44(6) for the purposes of this paragraph.]

#### Textual Amendments

- F14** Words in Sch. 4B para. 10(1)(a) substituted (3.1.2012) by [Pensions Act 2008 \(c. 30\), s. 149\(1\)](#), [Sch. 4 para. 12\(8\)](#); S.I. 2011/3033, art. 2(c)(xii)
- F15** Words in Sch. 4B para. 10(1)(a) repealed (21.9.2008) by [National Insurance Contributions Act 2008 \(c. 16\), s. 6\(1\)](#), [Sch. 2](#)

**Changes to legislation:**

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act applied (with modifications) by [S.I. 2010/875 reg. 16Sch. 2](#) (This amendment not applied to [legislation.gov.uk](#). [S.I. 2010/875](#) revoked (27.8.2010) before coming into force by [S.I. 2010/1906](#), regs. 1(2), 2)
- Act restricted by [S.I. 1995/471 art. 32\(4\)](#)

**Whole provisions yet to be inserted into this Act (including any effects on those provisions):**

- Pt. 8ZA inserted by [2009 c. 24 s. 16\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). Ss. 16-21 repealed (1.4.2013) by 2012 c. 5, s. 73; [S.I. 2012/3090](#), art. 2(1)(b))
- Pt. 12ZE inserted by [2023 c. 20 Sch. para. 5](#)
- s. 4(1)(a)(viii) and word inserted by [2023 c. 20 Sch. para. 11\(b\)](#)
- s. 4C(5)(i)(j) repealed by [2007 c. 22 Sch. 4 para. 42\(3\)\(c\)Sch. 7 Pt. 7](#)
- s. 11A(1)(eb) inserted by [2021 c. 26 Sch. 27 para. 12](#) (This amendment not applied to [legislation.gov.uk](#). The existing section 11A of Act repealed by paragraph 4(1) of the Schedule to the National Insurance Contributions (Reduction in Rates) Act 2023 (c. 57))
- s. 30B(4)(aa) inserted by [2012 c. 5 Sch. 9 para. 4](#)
- s. 35(1)(e) and word inserted by [2012 c. 5 s. 63\(2\)\(a\)](#)
- s. 35(3)(za) inserted by [2012 c. 5 s. 63\(2\)\(b\)](#)
- s. 45(2A)(a) words substituted by [2011 c. 19 Sch. 3 para. 2\(3\)\(b\)](#)
- s. 45(2A)(b) substituted by [2011 c. 19 Sch. 3 para. 2\(3\)\(c\)](#)
- s. 46(5)(6) inserted by [2008 c. 30 Sch. 4 para. 6\(3\)](#) (This amendment not applied to [legislation.gov.uk](#). Sch. 4 para. 6(3) repealed (1.10.2014) without ever being in force by 2014 c. 19, Sch. 12 para. 96(c); [S.I. 2014/2377](#), art. 2(1)(a)(ii)(3)(c))
- s. 46(5)(a) words substituted by [2011 c. 19 Sch. 3 para. 3](#)
- s. 47(4A) inserted by [2008 c. 30 s. 102\(6\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 102 repealed (1.10.2014) without ever being in force by 2014 c. 19, Sch. 12 para. 96(a); [S.I. 2014/2377](#), art. 2(1)(a)(ii)(3)(c))
- s. 124(1)(ea) inserted by [2012 c. 5 s. 59\(2\)\(a\)](#)
- s. 124(1)(ga) inserted by [2009 c. 24 s. 5\(1\)\(a\)](#)
- s. 124(1C) inserted by [2012 c. 5 s. 59\(2\)\(b\)](#)
- s. 124(6A)(6B) inserted by [2009 c. 24 s. 5\(1\)\(b\)](#)
- s. 124A inserted by [2012 c. 5 s. 59\(3\)](#)
- s. 130C(2)(za) inserted by [2016 asp 19 Sch. 4 para. 5](#)
- s. 138(2A) inserted by [2009 c. 24 s. 17](#) (This amendment not applied to [legislation.gov.uk](#). Ss. 16-21 repealed (1.4.2013) by 2012 c. 5, s. 73; [S.I. 2012/3090](#), art. 2(1)(b))
- s. 138(2B) inserted by [2009 c. 24 s. 19\(2\)](#) (This amendment not applied to [legislation.gov.uk](#). Ss. 16-21 repealed (1.4.2013) by 2012 c. 5, s. 73; [S.I. 2012/3090](#), art. 2(1)(b))
- s. 140(4)(ca) inserted by [2009 c. 24 s. 19\(6\)](#) (This amendment not applied to [legislation.gov.uk](#). Ss. 16-21 repealed (1.4.2013) by 2012 c. 5, s. 73; [S.I. 2012/3090](#), art. 2(1)(b))
- s. 140(4A) inserted by [2009 c. 24 s. 19\(7\)](#) (This amendment not applied to [legislation.gov.uk](#). Ss. 16-21 repealed (1.4.2013) by 2012 c. 5, s. 73; [S.I. 2012/3090](#), art. 2(1)(b))
- s. 164(2)(aa) inserted by [2012 c. 5 s. 63\(3\)\(a\)](#)
- s. 164(9)(da) inserted by [2012 c. 5 s. 63\(3\)\(b\)](#)

- s. 171ZA(2)(ba) inserted by 2012 c. 5 s. 63(4)(a)
- s. 171ZA(3A) inserted by 2012 c. 5 s. 63(4)(b)
- s. 171ZB(2)(ba) inserted by 2012 c. 5 s. 63(5)(a)
- s. 171ZB(3A) inserted by 2012 c. 5 s. 63(5)(b)
- s. 171ZE(2A) inserted by 2014 c. 6 s. 123(3)(b)
- s. 171ZE(2B) inserted by 2014 c. 6 s. 123(3)(c)
- s. 171ZL(2)(ba) inserted by 2012 c. 5 s. 63(8)(a)
- s. 171ZL(8)(za) inserted by 2012 c. 5 s. 63(8)(c)
- s. 171ZEA(2)(ba) inserted by 2012 c. 5 s. 63(6)(a)
- s. 171ZEA(3)(za) inserted by 2012 c. 5 s. 63(6)(b)
- s. 171ZEB(2)(ba) inserted by 2012 c. 5 s. 63(7)(a)
- s. 171ZEB(3)(za) inserted by 2012 c. 5 s. 63(7)(b)
- s. 173A inserted by 2012 c. 5 s. 63(9)
- s. 176(3A) inserted by 2011 c. 19 Sch. 3 para. 5(2)
- Sch. 4 Pt. 1 para. 2A applied by S.I. 1995/310 reg. 18(1)(a)
- Sch. 4 Pt. 1 para. 6 power to amend conferred by 1992 c. 5 s. 154(2)(a)
- Sch. 4 Pt. 1 para. 2 repealed by 2007 c. 5 Sch. 8
- Sch. 4 Pt. 1 para. 2A repealed by 2007 c. 5 Sch. 8
- Sch. 4 Pt. 5 para. 7 power to amend conferred by 1992 c. 5 s. 154(2)(d)(e)
- Sch. 4 Pt. 5 para. 12 power to amend conferred by 1992 c. 5 s. 154(2)(d)(e)
- Sch. 4 Pt. 3 para. 1 power to amend conferred by 1992 c. 5 s. 150(3)(a)151
- Sch. 4 Pt. 3 para. 2 power to amend conferred by 1992 c. 5 s. 150(3)(a)151
- Sch. 4 Pt. 3 para. 4 power to amend conferred by 1992 c. 5 s. 150(3)(a)151
- Sch. 4 Pt. 3 para. 5 power to amend conferred by 1992 c. 5 s. 150(3)(a)151
- Sch. 4 Pt. 3 para. 6 power to amend conferred by 1992 c. 5 s. 150(3)(a)151
- Sch. 4 Pt. 4 para. 2 applied by S.I. 1995/310 reg. 15(7)
- Sch. 4 Pt. 4 para. 1A repealed by 2007 c. 5 Sch. 8
- Sch. 4 Pt. 4 para. 2 repealed by 2007 c. 5 Sch. 8
- Sch. 4B para. 1(1)(a)para. 1(1)(b)(2) words inserted by 2011 c. 19 Sch. 3 para. 6(2)(b)
- Sch. 4C inserted by 2008 c. 30 s. 102(5)Sch. 3 (This amendment not applied to legislation.gov.uk. S. 102, Sch. 3 repealed (1.10.2014) without ever being in force by 2014 c. 19, Sch. 12 para. 96(a)(b); S.I. 2014/2377, art. 2(1)(a)(ii)(3)(c))
- Sch. 4C para. 7(2)(c) inserted by 2011 c. 19 Sch. 3 para. 7(7)(b)
- Sch. 4C para. 7(3) inserted by 2011 c. 19 Sch. 3 para. 7(8)
- Sch. 4C para. 3 omitted by 2011 c. 19 Sch. 3 para. 7(3)
- Sch. 4C para. 7(2)(b) words inserted by 2011 c. 19 Sch. 3 para. 7(7)(a)
- Sch. 4C para. 1 words substituted by 2011 c. 19 Sch. 3 para. 7(2)
- Sch. 4C para. 2 words substituted by 2011 c. 19 Sch. 3 para. 7(2)
- Sch. 4C para. 5(b) words substituted by 2011 c. 19 Sch. 3 para. 7(4)
- Sch. 4C para. 6 words substituted by 2011 c. 19 Sch. 3 para. 7(5)
- Sch. 4C para. 7(1) words substituted by 2011 c. 19 Sch. 3 para. 7(4)
- Sch. 4C para. 7(1) words substituted by 2011 c. 19 Sch. 3 para. 7(6)
- Sch. 11 para. 2(i) inserted by 2012 c. 5 s. 63(10)(a)
- Sch. 11 para. 9 inserted by 2012 c. 5 s. 63(10)(b)