



Social Security Contributions and Benefits (Northern Ireland) Act 1992

1992 CHAPTER 7

PART I

CONTRIBUTIONS

Class 1 contributions

[^{F1}5 Earnings limits and thresholds for Class 1 contributions.

- (1) For the purposes of this Act there shall for every tax year be—
- (a) the following for primary Class 1 contributions—
 - (i) a lower earnings limit,
 - (ii) a primary threshold, and
 - (iii) an upper earnings limit; and
 - (b) a secondary threshold for secondary Class 1 contributions.

Those limits and thresholds shall be the amounts specified for that year by regulations which, [^{F2}in the case of those limits, shall be made in accordance with subsections (2) and (3) below][^{F2}in the case of the upper earnings limit shall be made in accordance with subsection (3) below].

- (2) [^{F3}The amount specified as the lower earnings limit for any tax year shall be an amount equal to or not more than 99p less than—
- (a) the sum which at the beginning of that year is specified in section 44(4) below as the weekly rate of the basic pension in a Category A retirement pension; or
 - (b) that sum as increased by any Act, Measure or order passed or made before the beginning of that year and taking effect before 6th May in that year.]

(3) The amount specified as the upper earnings limit for any tax year shall be an amount which either—

 - (a) is equal to 7 times the sum which is the primary threshold for that year; or

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- (b) exceeds or falls short of 7 times that sum by an amount not exceeding half that sum.
- (4) Regulations may, in the case of each of the limits or thresholds mentioned in subsection (1) above, prescribe an equivalent of that limit or threshold in relation to earners paid otherwise than weekly (and references in this Act or any other statutory provision to “the prescribed equivalent”, in the context of any of those limits or thresholds, are accordingly references to the equivalent prescribed under this subsection in relation to such earners).
- (5) The power conferred by subsection (4) above to prescribe an equivalent of any of those limits or thresholds includes power to prescribe an amount which exceeds, by not more than £1.00, the amount which is the arithmetical equivalent of that limit or threshold.
- (6) Regulations under this section shall be made by the Treasury.]

Textual Amendments

- F1** S. 5 substituted (22.12.1999 for specified purposes and 6.4.2000 otherwise) by 1999 c. 30, s. 74, **Sch. 10 para. 1**; S.I. 1999/3420, **art. 2**
- F2** Words in s. 5(1) substituted (with effect in relation to the tax year 2011–12 and subsequent tax years) by Pensions Act 2007 (c. 22), **ss. 8(2), 30(3)** (with **ss. 5(4), 8(4)**); S.I. 2010/2650
- F3** S. 5(2) repealed (with effect in relation to the tax year 2011–12 and subsequent tax years) by Pensions Act 2007 (c. 22), **ss. 8(3), 30(3), Sch. 7 Pt. 4** (with **ss. 5(4), 8(4)**); S.I. 2010/2650

[^{F4}6] **Liability for Class 1 contributions.**

- (1) Where in any tax week earnings are paid to or for the benefit of an earner over the age of 16 in respect of any one employment of his which is employed earner’s employment—
- (a) a primary Class 1 contribution shall be payable in accordance with this section and section 8 below if the amount paid exceeds the current primary threshold (or the prescribed equivalent); and
- (b) a secondary Class 1 contribution shall be payable in accordance with this section and section 9 below if the amount paid exceeds the current secondary threshold (or the prescribed equivalent).
- (2) No primary or secondary Class 1 contribution shall be payable in respect of earnings if a Class 1B contribution is payable in respect of them.
- (3) Except as may be prescribed, no primary Class 1 contribution shall be payable in respect of earnings paid to or for the benefit of an employed earner after he attains pensionable age, but without prejudice to any liability to pay secondary Class 1 contributions in respect of any such earnings.
- (4) The primary and secondary Class 1 contributions referred to in subsection (1) above are payable as follows—
- (a) the primary contribution shall be the liability of the earner; and
- (b) the secondary contribution shall be the liability of the secondary contributor; but nothing in this subsection shall prejudice the provisions of [^{F5} paragraphs 3 to 3B of Schedule 1 to this Act.]

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- (5) Except as provided by this Act, the primary and secondary Class 1 contributions in respect of earnings paid to or for the benefit of an earner in respect of any one employment of his shall be payable without regard to any other such payment of earnings in respect of any other employment of his.
- (6) Regulations may provide for reducing primary or secondary Class 1 contributions which are payable in respect of persons to whom Part XII of the ^{M1}Employment Rights (Northern Ireland) Order 1996 (redundancy payments) does not apply by virtue of Article 242(2) or 250 of that Order.
- (7) Regulations under this section shall be made by the Treasury.]

Textual Amendments

- F4** S. 6 substituted (22.12.1999 for specified purposes and 6.4.2000 otherwise) by 1999 c. 30, s. 74, **Sch. 10 para. 2**; S.I. 1999/3420, **art. 2**
- F5** Words in s. 6(4) substituted (28.7.2000) by 2000 c. 19, s. **81(3)**

Marginal Citations

- M1** S.I. 1996/1919 (N.I. 16).

[^{F6}6A Notional payment of primary Class 1 contribution where earnings not less than lower earnings limit.

- (1) This section applies where in any tax week earnings are paid to or for the benefit of an earner over the age of 16 in respect of any one employment of his which is employed earner's employment and the amount paid—
 - (a) is not less than the current lower earnings limit (or the prescribed equivalent), but
 - (b) does not exceed the current primary threshold (or the prescribed equivalent).
- (2) Subject to any prescribed exceptions or modifications—
 - (a) the earner shall be treated as having actually paid a primary Class 1 contribution in respect of that week, and
 - (b) those earnings shall be treated as earnings upon which such a contribution has been paid,for any of the purposes mentioned in subsection (3) below.
- (3) The purposes are—
 - (a) the purposes of section 14(1)(a) below;
 - (b) the purposes of the provisions mentioned in section 21(5A)(a) to (c) below;
 - (c) any other purposes relating to contributory benefits; and
 - (d) any purposes relating to jobseeker's allowance.
- (4) Regulations may provide for any provision of this Act which, in whatever terms, refers—
 - (a) to primary Class 1 contributions being payable by a person, or
 - (b) otherwise to a person's liability to pay such contributions,to have effect for the purposes of this section with any prescribed modifications.

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- (5) Except as may be prescribed, nothing in this section applies in relation to earnings paid to or for the benefit of an employed earner after he attains pensionable age.
- (6) Except as provided by this Act, this section applies in relation to earnings paid to or for the benefit of an earner in respect of any one employment of his irrespective of any other such payment of earnings in respect of any other employment of his.
- (7) Regulations under this section shall be made by the Treasury.]

Textual Amendments

F6 S. 6A inserted (22.12.1999 for specified purposes and 6.4.2000 otherwise) by 1999 c. 30, s. 74, **Sch. 10 para. 3**; S.I. 1999/3420, **art. 2**

Modifications etc. (not altering text)

C1 S. 6A(2) modified (6.4.2000) by S.I. 2000/748, **regs. 3-6**

7 “Secondary contributor”.

- (1) For the purposes of this Act, the “secondary contributor” in relation to any payment of earnings to or for the benefit of an employed earner, is—
- (a) in the case of an earner employed under a contract of service, his employer;
 - (b) in the case of an earner employed in an office with [^{F7}general earnings] , either—
 - (i) such person as may be prescribed in relation to that office; or
 - (ii) if no person is prescribed, the government department, public authority or body of persons responsible for paying the [^{F7}general earnings] of the office;
- but this subsection is subject to subsection (2) below.
- (2) In relation to employed earners who—
- (a) are paid earnings in a tax week by more than one person in respect of different employments; or
 - (b) work under the general control or management of a person other than their immediate employer,
- and in relation to any other case for which it appears to the [^{F8}Treasury] that such provision is needed, regulations may provide that the prescribed person is to be treated as the secondary contributor in respect of earnings paid to or for the benefit of an earner.

[^{F9}(3) Regulations under any provision of this section shall be made by the Treasury.]

Textual Amendments

F7 Words in s. 7(1)(b) substituted (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. 194** (with **Sch. 7**)

F8 Word in s. 7(2) substituted (1.4.1999) by S.I. 1999/671, art. 4, **Sch. 3 para. 8(2)** (with savings and transitional provisions in **Sch. 7**); S.R. 1999/149, art. 2(c), **Sch. 2** (subject to arts. 3-6)

F9 S. 7(3) added (1.4.1999) by S.I. 1999/671, art. 4, **Sch. 3 para. 8(3)** (with savings and transitional provisions in **Sch. 7**); S.R. 1999/149, art. 2(c), **Sch. 2** (subject to arts. 3-6)

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[^{F10}8 Calculation of primary Class 1 contributions.

- (1) Where a primary Class 1 contribution is payable as mentioned in section 6(1)(a) above, the amount of that contribution is the aggregate of—
 - (a) the main primary percentage of so much of the earner's earnings paid in the tax week, in respect of the employment in question, as—
 - (i) exceeds the current primary threshold (or the prescribed equivalent); but
 - (ii) does not exceed the current upper earnings limit (or the prescribed equivalent); and
 - (b) the additional primary percentage of so much of those earnings as exceeds the current upper earnings limit (or the prescribed equivalent).
- (2) For the purposes of this Act—
 - (a) the main primary percentage is 11 per cent; and
 - (b) the additional primary percentage is 1 per cent;but the main primary percentage is subject to alteration under section 129 of the Administration Act.
- (3) Subsection (1) above is subject to—
 - (a) regulations under section 6(6) above;
 - (b) regulations under sections 116 to 119 below; and
 - (c) sections 37 and 38A of the Pensions Act (reduced rates of Class 1 contributions for earners in contracted-out employment).]

Textual Amendments

- F10** S. 8 substituted (with effect for 2003-04 and subsequent tax years) by [National Insurance Contributions Act 2002 \(c. 19\), ss. 1\(2\), 8\(2\)](#)

[^{F11}9 Calculation of secondary Class 1 contributions.

- (1) Where a secondary Class 1 contribution is payable as mentioned in section 6(1)(b) above, the amount of that contribution shall be the secondary percentage of so much of the earnings paid in the tax week, in respect of the employment in question, as exceeds the current secondary threshold (or the prescribed equivalent).
- [^{F12}(2) For the purposes of this Act the secondary percentage is 12.8 per cent; but that percentage is subject to alteration under section 129 of the Administration Act.
- (3) Subsection (1) above is subject to—
 - (a) regulations under section 6(6) above;
 - (b) regulations under sections 116 to 119 below; and
 - (c) sections 37 and 38A of the Pensions Act (reduced rates of Class 1 contributions for earners in contracted-out employment).]

Textual Amendments

- F11** S. 9 substituted (22.12.1999 for specified purposes and 6.4.2000 otherwise) by [1999 c. 30, s. 74, Sch. 10 para. 5; S.I. 1999/3420, art. 2](#)

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F12 S. 9(2)(3) substituted (with effect for 2003-04 and subsequent tax years) by [National Insurance Contributions Act 2002 \(c. 19\), ss. 2\(2\), 8\(2\)](#)

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