



Social Security Contributions and Benefits (Northern Ireland) Act 1992

1992 CHAPTER 7

PART I

CONTRIBUTIONS

Class 1A contributions

[^{F1}10 Class 1A contributions: benefits in kind etc.

(1) Where—

- [^{F2}(a) for any tax year an earner is chargeable to income tax under ITEPA 2003 on an amount of general earnings received by him from any employment (“the relevant employment”),]
- [^{F3}(b) the relevant employment is both—
 - (i) employed earner’s employment, and
 - (ii) an employment, other than [^{F4}lower-paid employment as a minister of religion], for the purposes of the benefits code (see Chapter 2 of Part 3 of ITEPA 2003),]
- (c) the whole or a part of the [^{F5}general earnings] falls, for the purposes of Class 1 contributions, to be left out of account in the computation of the earnings paid to or for the benefit of the earner,

a Class 1A contribution shall be payable for that tax year, in accordance with this section, in respect of that earner and so much of the [^{F6}general earnings] as falls to be so left out of account.

(2) Subject to section 10ZA below, a Class 1A contribution for any tax year shall be payable by—

- (a) the person who is liable to pay the secondary Class 1 contribution relating to the last (or only) relevant payment of earnings in that tax year in relation to which there is a liability to pay such a Class 1 contribution; or

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- (b) if paragraph (a) above does not apply, the person who, if the [^{F7}general earnings] in respect of which the Class 1A contribution is payable were earnings in respect of which Class 1 contributions would be payable, would be liable to pay the secondary Class 1 contribution.
- (3) In subsection (2) above “relevant payment of earnings” means a payment which for the purposes of Class 1 contributions is a payment of earnings made to or for the benefit of the earner in respect of the relevant employment.
- (4) The amount of the Class 1A contribution in respect of any [^{F8}general earnings] shall be the Class 1A percentage of so much of [^{F9}them] as falls to be left out of account as mentioned in subsection (1)(c) above.
- (5) In subsection (4) above “the Class 1A percentage” means a [^{F10}secondary percentage] for the tax year in question.
- (6) No Class 1A contribution shall be payable for any tax year in respect of so much of any [^{F11}general earnings] as is taken for the purposes of the making of Class 1B contributions for that year to be included in a PAYE settlement agreement.
- [^{F12}(7) In calculating for the purposes of this section the amount of general earnings received by an earner from an employment, a deduction under any of the excluded provisions is to be disregarded.

This subsection does not apply in relation to a deduction if subsection (7A) applies in relation to it.

(7A) Where—

- (a) a deduction in respect of a matter is allowed under an excluded provision, and
- (b) the amount deductible is at least equal to the whole of any corresponding amount which would (but for this section) fall by reference to that matter to be included in the general earnings mentioned in subsection (7),

the whole of the corresponding amount shall be treated as not included.

(7B) For the purposes of subsections (7) and (7A) “excluded provision” means—

- (a) any provision of Chapter 2 of Part 5 of ITEPA 2003 (deductions for employee’s expenses) other than section 352 (limited deduction for agency fees paid by entertainers), ^{F13}...
- [^{F14}(aa) any of sections 363 to 365 of ITEPA 2003 (certain deductions from benefits code earnings), or]
- (b) any provision of Chapter 5 of Part 5 of ITEPA 2003 (deductions for earnings representing benefits or reimbursed expenses).]

(8) The Treasury may by regulations—

- [^{F15}(a) modify the effect of subsections (7) and (7A) above by amending subsection (7B) so as to include any enactment contained in the Income Tax Acts within the meaning of “excluded provision”; or]
- (b) make such amendments of [^{F16}subsections (7) to (7B)] above as appear to them to be necessary or expedient in consequence of any alteration of the provisions of the Income Tax Acts relating to the charge to tax [^{F17}on employment income] .

(9) The Treasury may by regulations provide—

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- (a) for Class 1A contributions not to be payable, in prescribed circumstances, by prescribed persons or in respect of prescribed persons or [^{F18}general earnings];
- (b) for reducing Class 1A contributions in prescribed circumstances.

^{F19}(10)

[The Treasury may by regulations modify the law relating to Class 1A contributions ^{F20}(11) in the case of an employed earner's employment which is treated as existing by virtue of regulations under section 4AA.]]

Textual Amendments

- F1** S. 10 substituted (28.7.2000) by [Child Support, Pensions and Social Security Act 2000 \(c. 19\), s. 78\(2\)](#)
- F2** S. 10(1)(a) 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. 195\(2\)](#) (with [Sch. 7](#))
- F3** S. 10(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. 195\(3\)](#) (with [Sch. 7](#))
- F4** Words in s. 10(1)(b)(ii) substituted (with effect for the tax year 2016-17 and subsequent tax years) by [Finance Act 2015 \(c. 11\), s. 13\(4\), Sch. 1 para. 24\(2\)](#)
- F5** Words in s. 10(1)(c) 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. 195\(4\)](#) (with [Sch. 7](#))
- F6** Words in s. 10(1) 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. 195\(5\)](#) (with [Sch. 7](#))
- F7** Words in s. 10(2)(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. 195\(6\)](#) (with [Sch. 7](#))
- F8** Words in s. 10(4) 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. 195\(7\)\(a\)](#) (with [Sch. 7](#))
- F9** Word in s. 10(4) 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. 195\(7\)\(b\)](#) (with [Sch. 7](#))
- F10** Words in s. 10(5) substituted (with effect for 2003-04 and subsequent tax years) by [National Insurance Contributions Act 2002 \(c. 19\), ss. 6, 8\(2\), Sch. 1 para. 21](#)
- F11** Words in s. 10(6) 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. 195\(8\)](#) (with [Sch. 7](#))
- F12** S. 10(7)-(7B) substituted for s. 10(7) (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. 195\(9\)](#) (with [Sch. 7](#))
- F13** Word in s. 10(7B) omitted (with effect in relation to the tax year beginning with 6.4.2006 and subsequent tax years) by virtue of [The Social Security Contributions and Benefits \(Northern Ireland\) Act 1992 \(Modification of Section 10\(7B\)\) Regulations 2007 \(S.I. 2007/795\)](#), regs. 1, 2(a)
- F14** S. 10(7B)(aa) inserted (with effect in relation to the tax year beginning with 6.4.2006 and subsequent tax years) by [The Social Security Contributions and Benefits \(Northern Ireland\) Act 1992 \(Modification of Section 10\(7B\)\) Regulations 2007 \(S.I. 2007/795\)](#), regs. 1, 2(b)
- F15** S. 10(8)(a) 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. 195\(10\)](#) (with [Sch. 7](#))
- F16** Words in s. 10(8)(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. 195\(11\)\(a\)](#) (with [Sch. 7](#))
- F17** Words in s. 10(8)(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. 195\(11\)\(b\)](#) (with [Sch. 7](#))
- F18** Words in s. 10(9)(a) 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. 195\(12\)](#) (with [Sch. 7](#))
- F19** S. 10(10) repealed (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. 195\(13\), Sch. 8 Pt. 1](#) (with [Sch. 7](#))
- F20** S. 10(11) inserted (13.3.2014) by [National Insurance Contributions Act 2014 \(c. 7\), s. 14\(8\)](#)

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[^{F21}10ZA] Liability of third party provider of benefits in kind.

- (1) This section applies, where—
- (a) a Class 1A contribution is payable for any tax year in respect of the whole or any part of [^{F22}general earnings] received by an earner;
 - (b) [^{F23}the general earnings, in so far as they are ones in respect of which] such a contribution is payable, [^{F24}consist] in a benefit provided for the earner or a member of his family or household;
 - (c) the person providing the benefit is a person other than the person (“the relevant employer”) by whom, but for this section, the Class 1A contribution would be payable in accordance with section 10(2) above; and
 - (d) the provision of the benefit by that other person has not been arranged or facilitated by the relevant employer.
- (2) For the purposes of this Act if—
- (a) the person providing the benefit pays an amount for the purpose of discharging any liability of the earner to income tax for any tax year, and
 - (b) the income tax in question is tax chargeable in respect of the provision of the benefit or of the making of the payment itself,
- the amount of the payment shall be treated as if it were [^{F25}general earnings] consisting in the provision of a benefit to the earner in that tax year and falling, for the purposes of Class 1 contributions, to be left out of account in the computation of the earnings paid to or for the benefit of the earner.
- (3) Subject to subsection (4) below, the liability to pay any Class 1A contribution in respect of—
- (a) the benefit provided to the earner, and
 - (b) any further benefit treated as so provided in accordance with subsection (2) above,
- shall fall on the person providing the benefit, instead of on the relevant employer.
- (4) Subsection (3) above applies in the case of a Class 1A contribution for the tax year beginning with 6th April 2000 only if the person providing the benefit in question gives notice in writing to the Inland Revenue on or before 6th July 2001 that he is a person who provides benefits in respect of which a liability to Class 1A contributions is capable of falling by virtue of this section on a person other than the relevant employer.
- (5) The Treasury may by regulations make provision specifying the circumstances in which a person is or is not to be treated for the purposes of this Act as having arranged or facilitated the provision of any benefit.
- (6) In this section references to a member of a person’s family or household shall be construed in accordance with [^{F26}section 721(5) of ITEPA 2003] .]

Textual Amendments

F21 Ss. 10ZA, 10ZB inserted (28.7.2000) by 2000 c. 19, s. 79(1)

F22 Words in s. 10ZA(1)(a) 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. 196(2)* (with Sch. 7)

F23 Words in s. 10ZA(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. 196(3)(a)* (with Sch. 7)

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- F24** Word in s. 10ZA(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. 196\(3\)\(b\)](#) (with [Sch. 7](#))
- F25** Words in s. 10ZA(2) 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. 196\(4\)](#) (with [Sch. 7](#))
- F26** Words in s. 10ZA(6) 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. 196\(5\)](#) (with [Sch. 7](#))

[^{F27}10ZB Non-cash vouchers provided by third parties.

- (1) In section 10ZA above references to the provision of a benefit include references to the provision of a non-cash voucher.
- (2) Where—
- (a) a non-cash voucher is received by any person from [^{F28}employment which is [^{F29}lower-paid employment as a minister of religion], and]
- (b) the case would be one in which the conditions in section 10ZA(1)(a) to (d) above would be satisfied in relation to the provision of that voucher [^{F30}if that employment were not [^{F31}lower-paid employment as a minister of religion]], sections 10 and 10ZA above shall have effect in relation to the provision of that voucher, and to any such payment in respect of the provision of that voucher as is mentioned in section 10ZA(2) above, [^{F32}as if that employment were not [^{F31}lower-paid employment as a minister of religion]].
- (3) In this section “non-cash voucher” has the same meaning as in [^{F33}section 84 of ITEPA 2003] .]

Textual Amendments

- F27** Ss. 10ZA, 10ZB inserted (28.7.2000) by [2000 c. 19, s. 79\(1\)](#)
- F28** Words in s. 10ZB(2)(a) 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. 197\(2\)](#) (with [Sch. 7](#))
- F29** Words in s. 10ZB(2)(a) substituted (with effect for the tax year 2016-17 and subsequent tax years) by [Finance Act 2015 \(c. 11\), s. 13\(4\), Sch. 1 para. 24\(3\)\(a\)](#)
- F30** Words in s. 10ZB(2)(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. 197\(3\)](#) (with [Sch. 7](#))
- F31** Words in s. 10ZB(2) substituted (with effect for the tax year 2016-17 and subsequent tax years) by [Finance Act 2015 \(c. 11\), s. 13\(4\), Sch. 1 para. 24\(3\)\(b\)](#)
- F32** Words in s. 10ZB(2) 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. 197\(4\)](#) (with [Sch. 7](#))
- F33** Words in s. 10ZB(3) 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. 197\(5\)](#) (with [Sch. 7](#))

[^{F34}10ZC Class 1A contributions: power to make provision in consequence of retrospective tax legislation

- (1) The Treasury may by regulations make such provision as appears to the Treasury to be expedient for any purpose of the law relating to Class 1A contributions in consequence of any relevant retrospective tax provision—
- (a) which is passed or made at or before the time when the regulations are made, or
- (b) which may be passed or made after that time.

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- (2) “Relevant retrospective tax provision” means a provision of the Income Tax Acts which—
- (a) has retrospective effect, and
 - (b) affects the amount of general earnings received by an earner from an employment on which he is chargeable to income tax under the employment income Parts of ITEPA 2003 for a tax year.
- (3) It does not matter whether the relevant retrospective tax provision was passed or made before the commencement day.
- (4) Regulations under this section may, in particular, make provision—
- (a) modifying any provision of any enactment (including this Act and any enactment passed or made on or after the commencement day);
 - (b) for any provision of any such enactment to apply in such cases, and with such modifications (if any), as the regulations may prescribe.
- (5) Regulations under this section may be made so as to have retrospective effect but must not have effect in relation to any time before 2nd December 2004.
- (6) In particular, regulations under this section made by virtue of subsection (5)—
- (a) may affect matters determined before the time when the regulations are made, and
 - (b) may provide for those matters to be redetermined accordingly.
- (7) Regulations under this section—
- (a) may not impose any liability to pay a Class 1A contribution, and
 - (b) may not increase the amount of any Class 1A contribution.
- (8) The powers conferred by this section are without prejudice to—
- (a) any liability to pay a Class 1A contribution which arises by virtue of any relevant retrospective tax provision, and
 - (b) any powers conferred by or by virtue of any other provision of this Act or any other enactment.
- (9) In particular, any modification of any provision of an instrument by regulations under this section is without prejudice to any other power to amend or revoke the provisions of the instrument (including the modified provision).
- (10) For the purposes of this section—
- “the commencement day” means the day on which the National Insurance Contributions Act 2006 was passed;
- “enactment” includes an instrument made under an Act.]

Textual Amendments

F34 S. 10ZC inserted (30.3.2006) by National Insurance Contributions Act 2006 (c. 10), ss. 4(1), 9

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