



# Social Security Contributions and Benefits (Northern Ireland) Act 1992

## 1992 CHAPTER 7

### PART I

#### CONTRIBUTIONS

##### *Class 4 contributions*

#### **15 Class 4 contributions recoverable under the Income Tax Acts.**

- (1) Class 4 contributions shall be payable for any tax year in respect of all annual profits or gains which—
  - (a) are immediately derived from the carrying on or exercise of one or more trades, professions or vocations, and
  - (b) are profits or gains chargeable to income tax under Case I or Case II of Schedule D for the year of assessment corresponding to that tax year.
- (2) Class 4 contributions in respect of profits or gains shall be payable—
  - (a) in the same manner as any income tax which is, or would be, chargeable in respect of those profits or gains (whether or not income tax in fact falls to be paid), and
  - (b) by the person on whom the income tax is (or would be) charged,  
in accordance with assessments made from time to time under the Income Tax Acts as applied and modified by section 16(1) to (3) of the Great Britain Contributions and Benefits Act.
- [<sup>F1</sup>(3) The amount of a Class 4 contribution under this section for any tax year is equal to the aggregate of—
  - (a) the main Class 4 percentage of so much of the profits or gains referred to in subsection (1) above (computed in accordance with Schedule 2 to the Great Britain Contributions and Benefits Act, the text of which is set out as

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Schedule 2 to this Act) as exceeds [<sup>F2</sup>£4,745] but does not exceed [<sup>F3</sup>£31,720];  
and

- (b) the additional Class 4 percentage of so much of those profits or gains as exceeds [<sup>F3</sup>£31,720];

but the figures specified in this subsection are subject to alteration under section 129 of the Administration Act.

(3ZA) For the purposes of this Act—

- (a) the main Class 4 percentage is 8 per cent; and
- (b) the additional Class 4 percentage is 1 per cent;

but the main Class 4 percentage is subject to alteration under section 129 of the Administration Act.]

[<sup>F4</sup>(3A) Where income tax is (or would be) charged on a member of a limited liability partnership in respect of profits or gains arising from the carrying on of a trade or profession by the limited liability partnership, Class 4 contributions shall be payable by him if they would be payable were the trade or profession carried on in partnership by the members.]

(4) The reference in subsection (1) above to profits or gains chargeable to income tax under Case I or Case II of Schedule D shall be taken to include a reference to profits or gains consisting of a payment of enterprise allowance chargeable to income tax under Case VI of Schedule D by virtue of section 127(2) of the <sup>M1</sup>Income and Corporation Taxes Act 1988.

(5) For the purposes of this section the year of assessment which corresponds to a tax year is the year of assessment (within the meaning of the Tax Acts) which consists of the same period as that tax year.

**Textual Amendments**

**F1** S. 15(3)(3ZA) substituted (with effect for 2003-04 and subsequent tax years) for s. 15(3) by [National Insurance Contributions Act 2002 \(c. 19\), ss. 3\(2\), 8\(2\)](#)

**F2** Sum in s. 15(3) substituted (6.4.2004) by [The Social Security \(Contributions\) \(Re-rating and National Insurance Funds Payments\) Order 2004 \(S.I. 2004/889\), arts. 1\(1\), 4\(a\)](#)

**F3** Sums in s. 15(3) substituted (6.4.2004) by [The Social Security \(Contributions\) \(Re-rating and National Insurance Funds Payments\) Order 2004 \(S.I. 2004/889\), arts. 1\(1\), 4\(b\)](#)

**F4** S. 15(3A) inserted (6.4.2001) by [2000 c. 12, s. 13; S.I. 2000/3316, art. 2](#)

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**Marginal Citations**

**M1** 1988 c.1.

**16 Destination of Class 4 contributions.**

<sup>F5</sup> .....

**Textual Amendments**

**F5** S. 16 repealed (with effect for 2003-04 and subsequent tax years) by [National Insurance Contributions Act 2002 \(c. 19\), ss. 7, 8\(2\), Sch. 2](#)

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## 17 Exceptions, deferment and incidental matters relating to Class 4 contributions.

- (1) [<sup>F6</sup>The Inland Revenue may by regulations] provide—
- (a) for excepting persons from liability to pay Class 4 contributions [<sup>F7</sup>, or any prescribed part of such contributions,] in accordance with section 15(1) to (3) above and section 16(1) to (3) of the Great Britain Contributions and Benefits Act; or
  - (b) for deferring any person’s liability,  
<sup>F8</sup> . . .
- (2) Exception from liability, or deferment, under subsection (1) above may, in particular, be by reference—
- (a) to a person otherwise liable for contributions being under a prescribed age at the beginning of a tax year;
  - (b) to a person having attained pensionable age;
  - (c) to a person being in receipt of earnings in respect of which primary Class 1 contributions are, or may be, payable; or
  - (d) to a person not satisfying prescribed conditions as to residence or presence in the United Kingdom.
- (3) [<sup>F6</sup>The Inland Revenue may by regulations] provide for any incidental matters arising out of the payment of any Class 4 contributions recovered by the Inland Revenue, including in particular the return, in whole or in part, of such contributions in cases where—
- (a) payment has been made in error; or
  - (b) repayment ought for any other reason to be made.
- (4) [<sup>F6</sup>The Inland Revenue may by regulations] provide for any matters arising out of the deferment of liability [<sup>F9</sup>to pay Class 4 contributions, or any part of such contributions,] under subsection (1) above, including in particular provision for the amount of a person’s profits or gains (as computed in accordance with the Great Britain Contributions and Benefits Act) to be certified by the Inland Revenue to <sup>F10</sup>. . . the person liable.
- (5) <sup>F11</sup> . . . . .
- <sup>F12</sup>(6) . . . . .

### Textual Amendments

- F6** Words in s. 17(1)(3)(4) substituted (1.4.1999) by S.I. 1999/671, art. 4, **Sch. 3 para. 17(2)(3)** (with savings and transitional provisions in **Sch. 7**); S.R. 1999/149, art. 2(c), **Sch. 2** (subject to arts. 3-6)
- F7** Words in s. 17(1) inserted (with effect for 2003-04 and subsequent tax years) by **National Insurance Contributions Act 2002 (c. 19)**, ss. 6, 8(2), **Sch. 1 para. 23(2)**
- F8** Words in s. 17(1) repealed (omitted 24.3.1999 for specified purposes only and wholly repealed 1.4.1999) by S.I. 1999/671, arts. 1(2)(b), 3(1), **Sch. 1 para. 7(a)** (with savings and transitional provisions in **Sch. 7**); S.R. 1999/149, art. 2(c), **Sch. 2** (subject to arts. 3-6)
- F9** Words in s. 17(4) 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. 23(3)**
- F10** Words in s. 17(4) repealed (omitted 24.3.1999 for specified purposes only and wholly repealed 1.4.1999) by S.I. 1999/671, arts. 1(2)(b), 3(1), **Sch. 1 para. 7(b)** (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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- F11** S. 17(5) repealed (with effect for 2003-04 and subsequent tax years) by [National Insurance Contributions Act 2002 \(c. 19\)](#), ss. 7, 8(2), [Sch. 2](#)
- F12** S. 17(6) repealed (1.4.1999) by [S.I. 1999/671](#), arts. 4, 24(3), [Sch. 3 para. 17\(4\)](#), [Sch. 9 Pt. I](#) (with savings and transitional provisions in [Sch. 7](#)); [S.R. 1999/149](#), art. 2(c), [Sch. 2](#) (subject to arts. 3-6)

## 18 Class 4 contributions recoverable under regulations.

- (1) [<sup>F13</sup>The Inland Revenue may by regulations make provision] so that where—
- an earner, in respect of any one or more employments of his, is treated by regulations under section 2(2)(b) above as being self-employed; and
  - in any tax year he has earnings from any such employment (one or more) which fall within paragraph (b)(i) of subsection (3) of section 11 above but is not liable for a higher weekly rate of Class 2 contributions by virtue of regulations under that subsection; and
  - the total of those earnings exceeds [<sup>F14</sup>£4,745],
- he is to be liable, in respect of those earnings, to pay a Class 4 contribution <sup>F15</sup>...

[<sup>F16</sup>(1A) The amount of a Class 4 contribution payable by virtue of regulations under this section is equal to the aggregate of—

- the main Class 4 percentage of so much of the total of the earnings referred to in subsection (1)(b) above as exceeds [<sup>F17</sup>£4,745] but does not exceed [<sup>F18</sup>£31,720]; and
- the additional Class 4 percentage of so much of that total as exceeds [<sup>F18</sup>£31,720];

but the figures specified in this subsection are subject to alteration under section 129 of the Administration Act.]

- (2) [<sup>F19</sup>In relation to Class 4 contributions payable by virtue of regulations under this section], [<sup>F13</sup>regulations made by the Inland Revenue may]—
- apply any of the provisions of Schedule 1 to this Act (except a provision conferring power to make regulations); and
  - make any such provision as may be made by regulations under that Schedule, except paragraph 6 [<sup>F20</sup>or 7BZA].

### Textual Amendments

- F13** Words in s. 18(1)(2) substituted (1.4.1999) by [S.I. 1999/671](#), art. 4, [Sch. 3 para. 18](#) (with savings and transitional provisions in [Sch. 7](#)); [S.R. 1999/149](#), art. 2(c), [Sch. 2](#) (subject to arts. 3-6)
- F14** Sum in s. 18(1) substituted (6.4.2004) by [The Social Security \(Contributions\) \(Re-rating and National Insurance Funds Payments\) Order 2004 \(S.I. 2004/889\)](#), arts. 1(1), [4\(a\)](#)
- F15** Words in s. 18(1) repealed (with effect for 2003-04 and subsequent tax years) by [National Insurance Contributions Act 2002 \(c. 19\)](#), ss. 7, 8(2), [Sch. 2](#)
- F16** S. 18(1A) inserted (with effect for 2003-04 and subsequent tax years) by [National Insurance Contributions Act 2002 \(c. 19\)](#), ss. [3\(4\)](#), 8(2)
- F17** Sum in s. 18(1A) substituted (6.4.2004) by [The Social Security \(Contributions\) \(Re-rating and National Insurance Funds Payments\) Order 2004 \(S.I. 2004/889\)](#), arts. 1(1), [4\(a\)](#)
- F18** Sums in s. 18(1A) substituted (6.4.2004) by [The Social Security \(Contributions\) \(Re-rating and National Insurance Funds Payments\) Order 2004 \(S.I. 2004/889\)](#), arts. 1(1), [4\(b\)](#)
- F19** Words in s. 18(2) substituted (24.3.1999 for specified purposes and 1.4.1999 otherwise) by [S.I. 1999/671](#), arts. 1(2)(b), 3(1), [Sch. 1 para. 8](#) (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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**F20** Words in s. 18(2)(b) inserted (1.9.2004) by National Insurance Contributions and Statutory Payments Act 2004 (c. 3), s. 13, **Sch. 1 para. 2(3)**; S.I. 2004/1943, art. 5(a)(ii)

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