

*Status: Point in time view as at 01/04/2013.*

**Changes to legislation:** Social Security Contributions and Benefits (Northern Ireland) Act 1992, Cross Heading: Collection of contributions otherwise than through PAYE system is up to date with all changes known to be in force on or before 26 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, [F1 1B,] 2 AND 3

##### Textual Amendments

- F1** Words in heading to Sch. 1 inserted (6.4.1999) by S.I. 1998/1506 (N.I. 10), art. 78(1), **Sch. 6 para. 58(1)**; S.R. 1998/312, art. 2(d), **Sch. Pt. III**

*[F1 Collection of contributions [F2 otherwise than through PAYE system]*

##### Textual Amendments

- F1** Sch. 1 para. 7B and cross-heading inserted (10.3.1999 for specified purposes and 6.4.1999 otherwise) by The Social Security (Northern Ireland) Order 1998 (S.I. 1998/1506 (N.I. 10)), **art. 54**; S.R. 1999/102, art. 2(b), **Sch. Pt. II**
- F2** Sch. 1: words in cross-heading preceding para. 7B substituted (26.3.1999 for specified purposes and 1.4.1999 otherwise) by S.I. 1999/671, art. 24(2), **Sch. 8 para. 5(2)** (with savings and transitional provisions in Sch. 7); S.R. 1999/149, art. 2(b)(c), **Schs. 1, 2** (subject to arts. 3-6)

- 7B** (1) [F3 The Treasury may by regulations] provide that, in such cases or circumstances as may be [F4 prescribed, 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 [F5 PAYE regulations] apply is payable.]
- (2) Regulations under this paragraph may, in particular—
- provide for returns to be made to the [F6 Inland 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 [F6 Inland 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 [F6 Inland Revenue] may approve;
  - prescribe the due date for the payment of contributions;
  - [ 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 Article 9, 10, 11, 13 or 15 of the Social Security (Northern Ireland) Order 1998 or section 22 of the Administration Act; 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.

<sup>F8</sup>(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) <sup>F9</sup> . . . provide for the penalty to be imposed by the [<sup>F10</sup>Inland Revenue]—
  - (i) within 6 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 3 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 [<sup>F11</sup>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 <sup>F12</sup>(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 <sup>M1</sup>Taxes Management Act 1970 (penalties).]

(6) .....

(7) Section 12 above shall not apply in relation to Class 2 contributions in respect of which the [<sup>F13</sup>Inland Revenue][<sup>F13</sup>charge] interest or [<sup>F13</sup>impose] a penalty pursuant to regulations under paragraph (e) or (h) of sub-paragraph (2) above.

(8) Interest or penalties may be charged by virtue of regulations under this paragraph in respect of a period before the coming into operation of Article 54 of the Social Security (Northern Ireland) Order 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—
- (a) the rate from time to time prescribed under section 178 of the Finance Act 1989 for the purpose of any enactment (whether or not extending to Northern Ireland) if prescribed by regulations made by virtue of this paragraph; or
  - (b) such other rate as may be prescribed by such regulations.]

### Textual Amendments

- F3** Words in Sch. 1 para. 7B(1) substituted (1.4.1999) by S.I. 1999/671, art. 4, **Sch. 3 para. 37** (with savings and transitional provisions in Sch. 7); S.R. 1999/149, art. 2(c), **Sch. 2** (subject to arts. 3-6)
- F4** Words in Sch. 1 para. 7B(1) substituted (26.3.1999 for specified purposes and 1.4.1999 otherwise) by S.I. 1999/671, art. 24(2), **Sch. 8 para. 5(3)** (with savings and transitional provisions in Sch. 7); S.R. 1999/149, art. 2(b)(c), Schs. 1, 2 (subject to arts. 3-6)
- F5** Words in Sch. 1 para. 7B(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. 204(e)** (with Sch. 7)
- F6** Words in Sch. 1 para. 7B(2) substituted (26.3.1999 for specified purposes and 1.4.1999 otherwise) by S.I. 1999/671, art. 24(2), **Sch. 8 para. 5(4)(a)** (with savings and transitional provisions in Sch. 7); S.R. 1999/149, art. 2(b)(c), Schs. 1, 2 (subject to arts. 3-6)
- F7** Sch. 1 para. 7B(2)(e) substituted (28.7.2000) by 2000 c. 19, s. 80(3)
- F8** Sch. 1 para. 7B(4)(6) repealed (26.3.1999 for specified purposes only and wholly repealed 1.4.1999) by S.I. 1999/671, art. 24(2)(3), Sch. 8 para. 5(5), **Sch. 9 Pt. I** (with savings and transitional provisions in Sch. 7); S.R. 1999/149, art. 2(b)(c), Schs. 1, 2 (subject to arts. 3-6)
- F9** Words in Sch. 1 para. 7B(5)(b) repealed (26.3.1999 for specified purposes only and wholly repealed 1.4.1999) by S.I. 1999/671, art. 24(2)(3), Sch. 8 para. 5(6)(a), **Sch. 9 Pt. I** (with savings and transitional provisions in Sch. 7); S.R. 1999/149, art. 2(b)(c), Schs. 1, 2 (subject to arts. 3-6)
- F10** Words in Sch. 1 para. 7B(5)(b) substituted (26.3.1999 for specified purposes and 1.4.1999 otherwise) by S.I. 1999/671, art. 24(2), **Sch. 8 para. 5(6)(a)** (with savings and transitional provisions in Sch. 7); S.R. 1999/149, art. 2(b)(c), Schs. 1, 2 (subject to arts. 3-6)
- F11** Words in Sch. 1 para. 7B(5)(e) substituted (26.3.1999 for specified purposes and 1.4.1999 otherwise) by S.I. 1999/671, art. 24(2), **Sch. 8 para. 5(6)(b)** (with savings and transitional provisions in Sch. 7); S.R. 1999/149, art. 2(b)(c), Schs. 1, 2 (subject to arts. 3-6)
- F12** Sch. 1 para. 7B(5A) inserted (28.7.2000) by Child Support, Pensions and Social Security Act 2000 (c. 19), s. 80(4)
- F13** Words in Sch. 1 para. 7B(7) substituted (26.3.1999 for specified purposes and 1.4.1999 otherwise) by S.I. 1999/671, art. 24(2), **Sch. 8 para. 5(7)** (with savings and transitional provisions in Sch. 7); S.R. 1999/149, art. 2(b)(c), Schs. 1, 2 (subject to arts. 3-6)

### Modifications etc. (not altering text)

- C1** Sch. 1 para. 7B modified (1.4.2013) by Finance Act 2012 (c. 14), **Sch. 38 para. 55**; S.I. 2013/279, art. 2

### Marginal Citations

- M1** 1970 c. 9.

[<sup>F14</sup>7B(1)] The Inland Revenue may by regulations provide for Class 1, Class 1A, Class 1B or Class 2 contributions to which regulations under paragraph 7B apply to be recovered in a similar manner to income tax.

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- (2) Regulations under sub-paragraph (1) may apply or extend with or without modification in relation to such contributions any of the provisions of the Income Tax Acts or of PAYE regulations.
- (3) Any reference to contributions in this paragraph 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 paragraph 7B(2).]

**Textual Amendments**

**F14** Sch. 1 para. 7BZA inserted (1.9.2004) by National Insurance Contributions and Statutory Payments Act 2004 (c. 3), ss. 6(3), 13; S.I. 2004/1943, art. 2(f)

- [<sup>F15</sup>7BA The Inland Revenue may by regulations provide for amounts in respect of contributions or interest that fall to be paid or repaid in accordance with any regulations under this Schedule to be set off, or to be capable of being set off, in prescribed circumstances and to the prescribed extent, against any such liabilities under regulations under this Schedule of the person entitled to the payment or repayment as may be prescribed.]

**Textual Amendments**

**F15** Sch. 1 para. 7BA inserted (28.7.2000) by 2000 c. 19, s. 80(5)

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