

SCHEDULES

SCHEDULE 1

SUPPLEMENTARY PROVISIONS RELATING TO CONTRIBUTIONS OF CLASSES 1, 1A, 2 AND 3

Power to combine collection of contributions with tax

- 6 (1) Regulations made with the concurrence of the Inland Revenue may—
- (a) provide for Class 1, Class 1A or Class 2 contributions to be paid, accounted for and recovered in like manner as income tax deducted from the emoluments of an office or employment by virtue of regulations under section 203 of the Income and Corporation Taxes Act 1988 (PAYE);
 - (b) apply or extend with or without modification in relation to such contributions any of the provisions of the Income Tax Acts or of regulations under that section;
 - (c) make provision for the appropriation of the payments made by any person between his liabilities in respect of income tax and contributions.
- (2) Without prejudice to the generality of sub-paragraph (1) above, the provision that may be made by virtue of paragraph (a) of that sub-paragraph includes in relation to Class 1 or Class 1A contributions—
- (a) provision for requiring the payment of interest on sums due in respect of Class 1 or Class 1A contributions which are not paid by the due date, for determining the date (being, in the case of Class 1 contributions, not less than 14 days after the end of the tax year in respect of which the sums are due) from which such interest is to be calculated and for enabling the repayment or remission of such interest;
 - (b) provision for requiring the payment of interest on sums due in respect of Class 1 or Class 1A contributions which fall to be repaid and for determining the date (being not less than one year after the end of the tax year in respect of which the sums are due) from which such interest is to be calculated;
 - (c) provision for, or in connection with, the imposition and recovery of penalties in relation to any returns required to be made which relate to Class 1 or Class 1A contributions, but subject to sub-paragraph (7) and paragraph 7 below;
- and any reference to contributions or income tax in paragraph (b) or (c) of sub-paragraph (1) above shall be construed as including a reference to any interest or penalty in respect of contributions or income tax, as the case may be.
- (3) The rate of interest applicable for any purpose of this paragraph shall be—
- (a) the rate from time to time prescribed for that purpose 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.

Status: This is the original version (as it was originally enacted).

- (4) Regulations under this paragraph may require the payment of interest on sums due in respect of contributions, notwithstanding that a question arising in relation to the contributions has not been determined under section 15 of the Administration Act by the Department, except that where—
- (a) any such question arises which affects a person's liability for, or the amount of, any such interest, and
 - (b) either—
 - (i) that person requires the question to be determined under section 15, or
 - (ii) a question of law arising in connection with the determination of the question is, or is to be, referred to the Court of Appeal under section 16 of the Administration Act,
- the regulations shall not require the payment of any such interest until the question has been determined under section 15 of the Administration Act by the Department or the reference has been finally disposed of under section 16 of that Act, as the case may be; but, subject to that, this paragraph is without prejudice to sections 15 to 17 of the Administration Act.
- (5) The power to make regulations under this paragraph includes power to make such provision as the Department considers expedient in consequence of any provision made by or under section 154 or 163 above.
- (6) Provision made in regulations under this paragraph, by virtue of sub-paragraph (5) above, may in particular require the inclusion—
- (a) in returns, certificates and other documents; or
 - (b) in any other form of record;
- which the regulations require to be kept or produced or to which those regulations otherwise apply, of such particulars relating to statutory sick pay, statutory maternity pay or deductions or payments made by virtue of section 163(1) above as may be prescribed by those regulations.
- (7) Section 98 of the Taxes Management Act 1970 shall apply in relation to regulations made by virtue of this paragraph as it applies in relation to regulations made under section 203 of the Income and Corporation Taxes Act 1988 (PAYE).
- (8) The Inland Revenue shall, at such times and in such manner as the Department of Finance and Personnel may direct, account to the Department for, and pay to it—
- (a) the sums estimated by the Inland Revenue, in such manner as may be so directed, to have been received by them as contributions in accordance with regulations made by virtue of this paragraph; and
 - (b) so much of any interest recovered by the Inland Revenue by virtue of this paragraph as remains after the deduction by them of any administrative costs attributable to its recovery.