

Status: Point in time view as at 10/04/2006.

Changes to legislation: Social Security Contributions and Benefits (Northern Ireland) Act 1992, Paragraph 3 is up to date with all changes known to be in force on or before 14 July 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 2

SCHEDULE 2 TO THE SOCIAL SECURITY CONTRIBUTIONS AND BENEFITS ACT 1992: LEVY OF CLASS 4 CONTRIBUTIONS WITH INCOME TAX

Reliefs

- 3 (1) For the purposes of computing the amount of profits ^{F1}... in respect of which Class 4 contributions are payable, relief shall be available under, and in the manner provided by, the following provisions of the Act of 1988—
- (a) sections 380 and 381 (set-off of trade losses against general income), but only where loss arises from activities the profits ^{F1}... of which would be brought into computation for the purposes of Class 4 contributions;
 - ^{F2}(b)
 - (c) section 385 (carry-forward of loss against subsequent profits); and
 - (d) sections 388 and 389 (carry-back of terminal losses).
- (2) The following relief provisions of the Act of 1988 shall not apply, that is to say—
- (a) Chapter I of Part VII (personal reliefs);
 - (b) section 353 (relief for payment of interest);
 - (c) section 387 (carry-forward as losses of amounts to be taxed under section 350);
 - (d) section 390 (treatment of interest as a loss for purposes of carry-forward or carry-back);
- ^{F3}... and
- (f) sections 619 and 620 (premiums or other consideration under annuity contracts and trust schemes).
- (3) Where in the year 1989-90 or any previous year of assessment for which a person claims and is allowed relief by virtue of sub-paragraph (1) above—
- (a) there falls to be made in computing his total income for income tax purposes, or that of his spouse, a deduction in respect of any loss, and
 - (b) the deduction or part of it falls to be so made from income other than profits or gains of a trade, profession or vocation,
- the amount of the deduction made from the other income shall be treated as reducing the person's profits or gains (that is to say the profits or gains of any relevant trade, profession or vocation as computed for the purpose of the charge to Class 4 contributions) for subsequent years (being deducted as far as may be from those of the immediately following year, whether or not he claims or is entitled to claim relief under this paragraph for that year, and, so far as it cannot be so deducted, then from those of the next year, and so on).

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- (4) Where in the year 1990-1991 or any subsequent year of assessment for which a person claims and is allowed relief by virtue of sub-paragraph (1) above there falls to be made in computing his total income for income tax purposes a deduction in respect of any loss in any relevant trade, profession or vocation—
- (a) the amount of the deduction shall, as far as may be, be treated for the purpose of the charge to Class 4 contributions as reducing the person's profits^{F4}... for that year of any relevant trade, profession or vocation, and
 - (b) any excess shall be treated for that purpose as reducing such profits^{F4}... for subsequent years (being deducted as far as may be from those of the immediately following year, whether or not the person claims or is entitled to claim relief under this paragraph for that year, and, so far as it cannot be so deducted, then from those of the next year, and so on).
- (5) Relief shall be allowed, in respect of—
- (a) payments under section 348 or 349(1) of the Act of 1988 (annuities and other annual payments, etc.); or
 - (b) payments under section 353 of that Act (relief for payment of interest), being payments for which relief from income tax is or can be given,
- so far as incurred wholly or exclusively for the purposes of any relevant trade, profession or vocation, by way of deduction from or set-off against profits^{F4}... chargeable to Class 4 contributions for the year in which the payments are made; and, in the case of any insufficiency of the profits^{F4}... of that year, the payments shall be carried forward and deducted from or set off against the profits^{F4}... of any subsequent year (being deducted or set off as far as may be from or against the profits^{F4}... of the immediately following year, whether or not relief can be claimed under this paragraph for that year, and so far as it cannot be so deducted, from or against those of the next year, and so on).

Textual Amendments

- F1** Words in [Sch. 2 para. 3\(1\)](#) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 1 para. 425\(4\)](#), [Sch. 3](#) (with [Sch. 2](#))
- F2** [Sch. 2 para. 3\(1\)\(b\)](#) repealed (8.9.1998) by 1998 c. 14, ss. 59(3), 86(2), [Sch. 8](#); S.I. 1998/2209, art. 2(a), [Sch. Pt. I](#) (subject to saving in art. 3)
- F3** Words in [Sch. 2 para. 3\(2\)](#) repealed (29.4.1996 with effect in relation to the year 1996-97 and subsequent years of assessment) by 1996 c. 8, ss. 147(2)(b)(3), 205, [Sch. 41 Pt. V\(15\)](#) Note
- F4** Words in [Sch. 2 para. 3\(4\)\(5\)](#) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 1 para. 425\(4\)](#), [Sch. 3](#) (with [Sch. 2](#))

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