



National Insurance Contributions Act 2002

2002 CHAPTER 19

Increases in contributions

1 Primary Class 1 contributions

- (1) For section 8 of the Social Security Contributions and Benefits Act 1992 (c. 4) substitute—

“8 Calculation of primary Class 1 contributions

- (1) Where a primary Class 1 contribution is payable as mentioned in section 6(1) (a) above, the amount of that contribution is the aggregate of—
- (a) the main primary percentage of so much of the earner’s earnings paid in the tax week, in respect of the employment in question, as—
 - (i) exceeds the current primary threshold (or the prescribed equivalent); but
 - (ii) does not exceed the current upper earnings limit (or the prescribed equivalent); and
 - (b) the additional primary percentage of so much of those earnings as exceeds the current upper earnings limit (or the prescribed equivalent).
- (2) For the purposes of this Act—
- (a) the main primary percentage is 11 per cent; and
 - (b) the additional primary percentage is 1 per cent;
- but the main primary percentage is subject to alteration under sections 143 and 145 of the Administration Act.
- (3) Subsection (1) above is subject to—
- (a) regulations under section 6(6) above;
 - (b) regulations under sections 116 to 120 below; and
 - (c) sections 41 and 42A of the Pensions Act (reduced rates of Class 1 contributions for earners in contracted-out employment).”

- (2) For section 8 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7) substitute—

“8 Calculation of primary Class 1 contributions

- (1) Where a primary Class 1 contribution is payable as mentioned in section 6(1) (a) above, the amount of that contribution is the aggregate of—
- (a) the main primary percentage of so much of the earner’s earnings paid in the tax week, in respect of the employment in question, as—
 - (i) exceeds the current primary threshold (or the prescribed equivalent); but
 - (ii) does not exceed the current upper earnings limit (or the prescribed equivalent); and
 - (b) the additional primary percentage of so much of those earnings as exceeds the current upper earnings limit (or the prescribed equivalent).
- (2) For the purposes of this Act—
- (a) the main primary percentage is 11 per cent; and
 - (b) the additional primary percentage is 1 per cent;
- but the main primary percentage is subject to alteration under section 129 of the Administration Act.
- (3) Subsection (1) above is subject to—
- (a) regulations under section 6(6) above;
 - (b) regulations under sections 116 to 119 below; and
 - (c) sections 37 and 38A of the Pensions Act (reduced rates of Class 1 contributions for earners in contracted-out employment).”