

EXPLANATORY NOTES

NATIONAL INSURANCE CONTRIBUTIONS ACT 2011

INTRODUCTION

Structure of these notes

BACKGROUND

Overview of

Increase in the rates of

A scheme to help new businesses in targeted areas of the United Kingdom

SUMMARY

TERRITORIAL EXTENT AND APPLICATION

COMMENTARY ON SECTIONS

PART 1: INCREASES IN RATES

Section 1: Class 1 contributions

Section 2: Class 4 contributions

Section 3: Increased product of additional rates to be paid into National Insurance Fund

PART 2: REGIONAL SECONDARY CONTRIBUTIONS HOLIDAY FOR NEW BUSINESSES

Section 4: “Holiday” for new businesses

Section 5: Starting a new business

Section 6: Qualifying employees

Section 7: The appropriate amount

Section 8: Making of deductions or refunds

Section 9: Retention of records

Section 10: Anti-avoidance

Section 11: Interpretation of Part 2

These notes refer to the National Insurance Contributions Act 2011 (c.3)

PART 3: GENERAL

Section 12: Abbreviations of Act

Section 13: Commencement

Section 14: Extent

FINANCIAL EFFECTS OF THE ACT

COMMENCEMENT

HANSARD REFERENCES