
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations further amend the Social Security (Contributions) Regulations 1979 (“the principal Regulations”).

Regulation 2 amends regulation 43B(2) of the principal Regulations, which makes provision for the amount of a Class 2 contribution which is paid late in accordance with an undertaking. The amendment provides that, where the undertaking was entered into later than the year immediately following the contribution year, the amount of the weekly rate in the period beginning with the contribution week in respect of which it is paid and ending with the date of the undertaking; or, if it is not paid in accordance with an undertaking, the highest weekly rate in the period ending with the date of payment.

Regulation 3 revokes regulation 79 of the principal Regulations relating to provisions which apply where a husband is liable for his wife’s Class 4 contributions. The revocation is consequent upon the abolition of joint taxation of husband and wife by the Finance Act 1988 (c. 39) and the consequential repeal of paragraph 4 of Schedule 2 to the Social Security Act 1975 by that Act.

Regulation 4 amends regulation 132 of the principal Regulations. It increases from £200 to level 3 on the standard scale (currently £400) the maximum penalty on summary conviction of an offence of contravening, or failing to comply with, any requirement of the principal Regulations for which no special penalty is provided. Where the offence consists of continuing the contravention or failure after conviction, it increases from £20 to £40 the maximum penalty for each day on which the offence is continued.

Regulation 5 provides that the increased penalties apply only to an offence committed after 21st September 1991 and to that part of a continuing offence which occurs after that date.