
STATUTORY INSTRUMENTS

1993 No. 280

SOCIAL SECURITY

The Social Security (Contributions) (Re-rating) Order 1993

Made - - - - *17th February 1993*

Coming into force - - *6th April 1993*

Whereas the Secretary of State for Social Security, as a result of carrying out in the tax year 1992—93 a review of the general level of earnings pursuant to subsections (1) and (2) of section 141 of the Social Security Administration Act 1992(1) (“the Administration Act”), has determined that an Order should be made under that section amending Part I of the Social Security Contributions and Benefits Act 1992(2) (“the Contributions and Benefits Act”) by altering the rates of Class 2 and Class 3 contributions, the amount of earnings below which an earner may be excepted from liability for Class 2 contributions and the lower and upper limits of profits or gains to be taken into account for Class 4 contributions:

And whereas the Secretary of State, for the purpose of adjusting amounts payable by way of secondary Class 1 contributions, has determined that an Order should be made under section 145(2) of the Administration Act amending section 9(3) of the Contributions and Benefits Act by altering the weekly earnings figures therein specified:

And whereas a draft of the following Order was laid before Parliament in accordance with the provisions of sections 141(3) and 190(1) of the Administration Act and approved by resolution of each House of Parliament:

Now, therefore, the Secretary of State for Social Security in exercise of powers conferred by sections 141(4) and (5), 142(2), 145(2) and 189(1) of the Administration Act and of all other powers enabling him in that behalf, hereby makes the following Order:

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Social Security (Contributions) (Re-rating) Order 1993 and shall come into force on 6th April 1993.

(2) In this Order “the Act” means the Social Security Contributions and Benefits Act 1992.

(1) 1992 c. 5.
(2) 1992 c. 4.

Weekly earnings figures for secondary earnings brackets

2.—(1) Section 9 of the Act (calculation of secondary Class 1 contributions) shall be amended in accordance with the provisions of this article.

(2) In subsection (3) (secondary earnings brackets)—

- (a) for the figure “£89.99” specified in respect of Bracket 1 there shall be substituted the figure “£94.99”;
- (b) for the figures “£90.00” and “£134.99” specified in respect of Bracket 2 there shall be substituted respectively the figures “£95.00” and “£139.99”;
- (c) for the figures “£135.00” and “£189.99” specified in respect of Bracket 3 there shall be substituted respectively the figures “£140.00” and “£194.99”;
- (d) for the figure “£190.00” specified in respect of Bracket 4 there shall be substituted the figure “£195.00”.

Rate of, and small earnings exception from, Class 2 contributions

3. In section 11 of the Act (Class 2 contributions)—

- (a) in subsection (1) (weekly rate) for the figure “£5.35” there shall be substituted the figure “£5.55”;
- (b) in subsection (4) (small earnings exception) for the figure “£3,030” there shall be substituted the figure “£3,140”.

Amount of Class 3 contributions

4. In section 13(1) of the Act (amount of Class 3 contributions) for the figure “£5.25” there shall be substituted the figure “£5.45”.

Lower and upper limits for Class 4 contributions

5. In sections 15(3) and 18(1) of the Act (Class 4 contributions recoverable under the Income Tax Acts and regulations)—

- (a) for the figure “£6,120” (lower limit) wherever it appears there shall be substituted in each of those sections the figure “£6,340”;
- (b) for the figure “£21,060” (upper limit) there shall be substituted in each of those sections the figure “£21,840”.

Signed by authority of the Secretary of State for Social Security.

17th February 1993

Nicholas Scott
Minister of State,
Department of Social Security

EXPLANATORY NOTE

(This note is not part of the Order)

This Order increases the amounts of weekly earnings specified in the secondary earnings brackets in section 9(3) of the Social Security Contributions and Benefits Act 1992 (“the Act”), in respect of Bracket 1 from £89.99 to £94.99, in respect of Bracket 2 from £90.00 and £134.99 to £95.00 and £139.99, in respect of Bracket 3 from £135.00 and £189.99 to £140.00 and £194.99 and in respect of Bracket 4 from £190.00 to £195.00 (article 2).

The Order increases the rates of Class 2 and Class 3 contributions specified in sections 11(1) and 13(1) of the Act from £5.35 to £5.55 and from £5.25 to £5.45 respectively (articles 3(a) and 4). It also increases from £3,030 to £3,140 the amount of earnings specified in section 11(4) below which an earner may be excepted from liability for Class 2 contributions (article 3(b)).

The Order increases, from £6,120 to £6,340 and from £21,060 to £21,840, the lower and upper limits of profits or gains specified in sections 15(3) and 18(1) of the Act between which Class 4 contributions are payable (article 5).

In accordance with sections 142(1) and 147(2) of the Social Security Administration Act 1992, a copy of the report by the Government Actuary (Cm. 2136), giving his opinion on the likely effect on the National Insurance Fund of the making of the Order in so far as it amends sections 9(3), 11(1) and (4), 13(1), 15(3) and 18(1) of the Act, was laid before Parliament with a draft of this Order.