
STATUTORY INSTRUMENTS

1995 No. 730

SOCIAL SECURITY

**The Social Security (Contributions)
Amendment (No. 3) Regulations 1995**

<i>Made</i>	- - - -	<i>13th March 1995</i>
<i>Laid before Parliament</i>		<i>16th March 1995</i>
<i>Coming into force</i>	- -	<i>6th April 1995</i>

The Secretary of State for Social Security, with the concurrence of the Inland Revenue, in exercise of powers conferred by sections 1(4), 17(3) and (6) and section 175(1) to (3) of, and paragraph 6(1) of Schedule 1 to, the Social Security Contributions and Benefits Act 1992(1) and of all other powers enabling him in that behalf, after agreement by the Social Security Advisory Committee that proposals to make these Regulations should not be referred to it(2), hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Contributions) Amendment (No. 3) Regulations 1995 and shall come into force on 6th April 1995.

(2) In these Regulations “the principal Regulations” means the Social Security (Contributions) Regulations 1979(3) and “Schedule 1” means Schedule 1 to the principal Regulations (containing the provisions of the Income Tax (Employments) Regulations 1973(4) as they apply to earnings-related contributions and Class 1A contributions under the Social Security Act 1975).

Revocation of regulation 70 of the principal Regulations

2. Regulation 70 of the principal Regulations (disapplication of provision allowing repayment supplement to be paid on repaid Class 4 contributions) is hereby revoked.

Amendment of Schedule 1

3.—(1) Schedule 1 shall be amended in accordance with the following paragraphs of this regulation.

(1) 1992 c. 4.

(2) See the Social Security Administration Act 1992 (c. 5), section 173(1)(b).

(3) S.I. 1979/591; relevant amending instruments are S.I. 1985/396, 1991/1632, 1992/97 and 1992/1440.

(4) S.I. 1973/334; this and its subsequent amending instruments were consolidated as S.I. 1993/744.

(2) In Regulation 26A(3) (payment of earnings-related contributions quarterly by employer)(5) for the sum “£450” there shall be substituted the sum “£600”.

(3) In Regulation 27A (specified amount of earnings-related contributions paid by employer)(6)—

- (a) in paragraph (1) the words “, despite demand being made,” shall be omitted,
- (b) in paragraph (2) for the words from “the amount so unpaid” to the end there shall be substituted the following—

“the amount so unpaid—

- (a) shall be deemed for the purposes of these Regulations to be an amount of earnings-related contributions which the employer was liable to pay for that income tax period in accordance with Regulation 26 or 26A, and
- (b) may be certified by the Collector.”.

(4) In Regulation 27B (specified amount of Class 1A contributions)(7)—

- (a) in paragraph (1) the words “, despite demand being made,” shall be omitted,
- (b) in paragraph (2) for the words from “the amount so unpaid” to the end there shall be substituted the following—

“the amount so unpaid—

- (a) shall be deemed for the purposes of these Regulations to be an amount of Class 1A contributions which the employer was liable to pay in respect of the year in question in accordance with Regulation 26C(1) or (2) or 26D(5), and
- (b) may be certified by the Collector.”.

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

10th March 1995

James Arbuthnot
Parliamentary Under-Secretary of State,
Department of Social Security

The Commissioners of Inland Revenue hereby concur.

13th March 1995

S.C.T. Matheson
G.H. Bush
Two of the Commissioners of Inland Revenue

(5) Regulation 26A was inserted by regulation 2 of S.I. 1991/1632. The relevant amending instrument is S.I. 1992/ 1440.
(6) Regulation 27A was inserted by regulation 3 of S.I. 1985/396. The relevant amending instrument is S.I. 1991/ 1632.
(7) Regulation 27B was inserted by regulation 17 of S.I. 1992/97. The relevant amending instrument is S.I. 1992/ 1440.

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 revokes regulation 70, which prevented interest being paid when Class 4 contributions were refunded to a contributor more than a year after the end of the tax year in respect of which they had been paid.

Regulation 3 amends Regulations 26A, 27A and 27B in Schedule 1 to the principal Regulations. In Regulation 26A, the average monthly total amount of PAYE tax and Class 1 contributions due to the Collector of Taxes and on the basis of which an employer can pay Class 1 contributions quarterly, is increased from £450 to £600. In Regulation 27A(1) and 27B(1) the requirement is removed that the Collector of Taxes first makes a demand for the earnings-related or the Class 1A contributions respectively due to be paid by the employer before issuing notice of the specified amount to the employer. In Regulation 27A(2) and 27B(2) the requirement is removed that the specified amount should be certified by the Collector of Taxes as an unpaid amount of contributions.

These Regulations impose no costs on business.