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## EXPLANATORY NOTE

(This Note is not part of the Regulations)

These Regulations provide for employers to make deductions from their Social Security contributions payments in prescribed circumstances where they employ a qualifying employee. Regulation 1 contains definitions.

Regulation 2 sets out the circumstances in which a person, who would not otherwise satisfy the condition in section 27(1) of the Jobseekers Act 1995 that immediately before beginning his employment with that employer he be entitled to a jobseeker's allowance for a continuous period of not less than two years, will be treated as satisfying such condition.

Regulation 3 sets out the circumstances in which a person, who would not otherwise satisfy the condition in section 27(2)(a) of the Jobseekers Act 1995 that immediately before beginning his employment with that employer he be unemployed for a continuous period of not less than two years, will be treated as satisfying such condition.

Regulation 4 sets out the prescribed description of a person for the purposes of section 27(2)(c) of the Jobseekers Act 1995.

Regulation 5 provides that an employer must employ a person who is a qualifying employee for a continuous period of at least 13 weeks and have obtained a deductions certificate in order to make deductions in accordance with these Regulations and sets out how the amount which an employer is entitled to deduct is to be calculated.

Regulation 6 provides for the making of deductions in the case of certain mariners.

Regulation 7 provides for an application to be made to the Secretary of State for a deductions certificate before making any deduction and sets out requirements for the form of such an application and the period within which it shall be made to the Secretary of State.

Regulation 8 provides that where an employer is entitled to deduct amounts determined in accordance with regulation 5 or 6 that such deductions may be made by one or more deductions from the employer's contributions payments except in specified circumstances.

Regulation 9 provides that where an employer is unable to deduct in whole or part an amount because it exceeds the amount of his contributions payments paid in an income tax period the Secretary of State or the Commissioners of Inland Revenue acting on his behalf shall on request in writing by the employer pay the employer such sum.

Regulation 10 restricts the right to make deductions where an employee is a qualifying employee in relation to more than one employer at the same time.

Regulation 11 provides for employers to be treated as one where the earnings are aggregated by virtue of regulation 12(1)(a) of the Social Security (Contributions) Regulations 1979.

Regulation 12 makes it an offence to fail to comply with the requirement of regulation 7(8).

Regulation 13 amends certain provisions in Schedule 1 to the Social Security (Contributions) Regulations 1979 by referring to these Regulations.

These Regulations are made pursuant to sections 27, 34(3) and (7), 35(1) and (3) and 36 of the Jobseekers Act 1995 and are made before the end of a period of 6 months beginning with the date those provisions came into force. Accordingly they are exempted by section 173(5)(a) of the Social Security Administration Act 1992 from reference to the Social Security Advisory Committee and have not been so referred.

An assessment of the costs to business of applying regulations 5, 6, 7, 8, 9 and 13 has been placed in the Libraries of both Houses of Parliament. Copies can be obtained by post from the Department of Social Security, Deregulation Unit, 9th Floor, Adelphi, 1-11 John Adam Street, London WC2N 6HT.

**Changes to legislation:**

The Employer's Contributions Re-imbusement Regulations 1996 is up to date with all changes known to be in force on or before 10 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

[View outstanding changes](#)

**Changes and effects yet to be applied to :**

- [reg.1 rev.in pt. by 1999 c. 2 s.26\(3\) Sch.10. Pt.II](#)
- [regs.56 amended by S.I. 1999/286 reg 2](#)

**Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:**

- [Act cert. functs. trans. \(pt.prosp.\) by 1999 c. 2 s.1\(2\)Sch.2](#)