

SCHEDULE 6

FAMILY BENEFITS

PART III

CONTRIBUTIONS: COMMON PROVISIONS

14.—(1) This paragraph applies where—

- (a) an election is made under paragraph 3 or 4, or
- (b) an election is made under paragraph 10 to pay family benefit contributions by Method A.

(2) The rate at which family benefit contributions are to be paid, and any higher rate substituted by an election under sub-paragraph (4), must be an integral percentage, not in any case exceeding 9, of the person's contributable salary.

(3) In the case of a person who is paying additional contributions under regulation C4 or C6, or towards the provision of a pension otherwise than under these Regulations, sub-paragraph (2) has effect with the substitution for "9" of the number obtained by deducting from 9 the percentage rate of those contributions.

(4) The election may at any time be varied by an election to pay the family benefit contributions at a specified higher rate.

(5) An election under sub-paragraph (4) must be made by giving written notice to the Secretary of State, and has effect from the first day of the month following that in which the notice is received by him.

(6) The payment period begins on the first day of the month following that in which it is notified to the person by the Secretary of State.

(7) If after the start of the payment period there is an interval of more than 30 days during which the person is not in pensionable employment or paying additional contributions under regulation C9 or C10—

- (a) the interval is not part of the payment period, but
- (b) the end of the payment period is postponed by the length of the interval.

(8) If after the start of the payment period the person becomes employed in part-time pensionable employment, the length of the payment period is increased by so much of the period of part-time employment as does not count as reckonable service.

(9) If the original election is varied by one made under sub-paragraph (4) ("the further election") a new payment period begins on the effective date of the further election and the length of the new payment period is

$$A - \left(\frac{B}{C} \times D \right),$$

where—

A is what the length of the payment period would have been if the increased rate had been specified in the original election,

B is the rate specified in the original election,

C is the increased rate, and

D is the period from the start of the payment period to the effective date of the further election.

(10) The contributions—

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- (a) are payable from the start of the payment period,
- (b) continue to be payable while the person is in pensionable employment or paying additional contributions under regulation C9 or C10, and
- (c) cease to be payable if he dies or becomes entitled to retirement benefits before the end of the payment period.

15.—(1) This paragraph—

- (a) applies where family benefit contributions to which paragraph 14 applies cease to be payable before the end of the payment period, and
- (b) has effect subject to paragraph 16.

(2) Where the person paying the contributions dies before attaining the age of 60, or (whether or not he later re-enters pensionable employment) becomes entitled to payment of retirement benefits by virtue of regulation E4(4) (incapacity)—

- (a) contributions are to be treated as having been paid in respect of the whole of the period in respect of which the election was made, but
- (b) if part of the payment period falls after his 60th birthday, the actuarial equivalent of the contributions that would have been payable during that part is to be deducted from the appropriate terminal sum.

(3) Where the person dies, or becomes entitled to payment of retirement benefits, after attaining the age of 60—

- (a) contributions are to be treated as having been paid in respect of the whole of the period in respect of which the election was made, but
- (b) there is to be deducted from the appropriate terminal sum an amount of

$$\left(A \times \frac{B}{100} \right) \times C.$$

where—

A is the annual rate at which his contributable salary was last payable,

B is the rate at which the contributions were last payable, and

C is the multiplier ascertained from, or, if the remainder of the payment period is not an exact number of years, by extrapolation from, Table 6 below.

TABLE 6

<i>Years in remainder of payment period</i>	<i>Multiplier</i>
1	0.990
2	1.961
3	2.913
4	3.846
5	4.760
6	5.657
7	6.536
8	7.398
9	8.244

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<i>Years in remainder of payment period</i>	<i>Multiplier</i>
10	9.072
11	9.884
12	10.681
13	11.461
14	12.227
15	12.977
16	13.713
17	14.434
18	15.141
19	15.835
20	16.514

(4) Where the person becomes entitled to payment of retirement benefits by virtue of regulation E4(5) (redundancy, etc.)—

- (a) he may, by giving written notice to the Secretary of State within 3 months after the end of his pensionable employment, elect to pay a lump sum which is the actuarial equivalent of the contributions that would have been payable during the remainder of the payment period,
- (b) if he does so elect, on payment of the lump sum, contributions are to be treated as having been paid in respect of the whole of the period in respect of which the original election was made, and
- (c) if he does not so elect, contributions are to be treated as having been paid in respect of

$$D \times \frac{E}{F},$$

where—

- D is the period in respect of which the original election was made,
- E is the period during which contributions were paid, and
- F is the payment period.

16. Where—

- (a) a deduction has fallen to be made under paragraph 15(2) or (3) or an election has been made under paragraph 15(4), and
- (b) there is then a retrospective increase in the person's contributable salary, and
- (c) the consequent recalculation of the amount of the deduction or lump sum and of the appropriate terminal sum results in a greater increase in the amount of the deduction or lump sum than in the terminal sum,

the person, or, as the case may be, his widow or widower or a beneficiary nominated under regulation E23, may notify the Secretary of State in writing that the amount of the deduction made or lump sum payable is not to be increased.