

SCHEDULE 4

[^{F1}Provisions derived from the Income Tax Acts and the Income Tax (Pay As You Earn) Regulations 2003]

Textual Amendments

- F1** Sch. 4 heading substituted (6.4.2004) by [The Social Security \(Contributions, Categorisation of Earners and Intermediaries\) \(Amendment\) Regulations 2004 \(S.I. 2004/770\)](#), regs. 1(1), **29(2)**

PART III

PAYMENT AND RECOVERY OR EARNINGS-RELATED CONTRIBUTIONS, CLASS 1A CONTRIBUTIONS AND CLASS 1B CONTRIBUTIONS, ETC.

[^{F1}Returns under paragraphs 21A and 21D: amendments

21E.—(1) This paragraph applies where [^{F2}there is an inaccuracy in a return, whether careless or deliberate,] made under paragraph 21A (real time returns of information about payments of ^{F3}... earnings) or 21D (exceptions to paragraph 21A) and sub-paragraph (2), (3) or (4) applies.

(2) This sub-paragraph applies where the [^{F4}inaccuracy] relates to the information given in the return in respect of an employee under [^{F5}one or more of paragraphs 3A, 7], 10(b), 10(d), ^{F6}... 14, 15, 16[^{F7}, 17A] or 18 of Schedule 4A (real time returns).

(3) This sub-paragraph applies where the [^{F8}inaccuracy] was the omission of details of a payment of ^{F3} ... earnings to an employee.

(4) This sub-paragraph applies where retrospective earnings increase the total amount of the ^{F3} ... earnings paid to the employee for any tax year in which the employer was a Real Time Information employer.

[^{F9}(5) When the employer becomes aware of an inaccuracy in a return under paragraph 21A or 21D, the employer must provide the correct information in the next return for the tax year in question.]

(6) But if the information given has not been corrected before 20th April following the end of the tax year in question, the employer must make a return under this sub-paragraph.

(7) A return under sub-paragraph (6)—

(a) must include the following—

(i) the information specified in paragraphs [^{F10}2 to 7 and 10 to 12] of Schedule 4A,

^{F11}(ii)

(iii) [^{F12}if the return relates to the tax year 2017-18 or an earlier tax year,] the value of the adjustment, if any, to the information given under each of the paragraphs of Schedule 4A referred to in sub-paragraph (2) in the final return under paragraph 21A or 21D containing information in respect of the employee in the tax year in question,

[if the return relates to the tax year 2020-21 or a subsequent tax year, the amount ^{F13}(iiiia) which should have been given under one or more of the paragraphs of Schedule 4A referred to in sub-paragraph (2) in the final return under paragraph 21A or 21D containing information in respect of the employee in the tax year in question,

Changes to legislation: There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, Paragraph 21E. (See end of Document for details)

- (iiib) if the return relates to the tax year 2018-19 or 2019-20—
- (aa) the value of the adjustment to the information given under, or
 - (bb) the amount which should have been given under,
- one or more of the paragraphs of Schedule 4A referred to in sub-paragraph (2) in the final return under paragraph 21A or 21D containing information in respect of the employee in the tax year in question,]
- [^{F14}(iv) if the inaccuracy relates to the information which was or which should have been given under paragraph 7 or 10(b) or (d) of Schedule 4A, the information specified in paragraph 6 of that Schedule,
- (v) if the inaccuracy relates to the information which was or which should have been given under paragraph 10(d) of Schedule 4A and the correct information decreases the amount reported under that paragraph, an indication of whether the employer has refunded the primary Class 1 contributions paid in error to the employee, and
 - (vi) if the inaccuracy relates to the information which was or which should have been given under paragraph 16 of Schedule 4A, the information specified in paragraph 17 of that Schedule if it has not already been provided;]
- (b) must be made as soon as reasonably practicable after the [^{F15}employer becomes aware of the inaccuracy]; and
- (c) must be made using an approved method of electronic communications [^{F16}and regulation 90N(2) (mandatory use of electronic communications) applies as if the return was a paragraph 22 return within the meaning given by regulation 90M (paragraph 22 return and specified payments)].

(8) In the application of sub-paragraphs (6) and (7) to cases within sub-paragraph (3), if no information was given in any returns under paragraph 21A or 21D in respect of the employee in the tax year, the value of any adjustments required [^{F17}by sub-paragraph (7)(a)(iii) or (iiib)] must be calculated as if there was a final return containing information for the employee in the year and the figure requiring adjustment was zero.

(9) Sub-paragraph (7)(c) does not apply if the employer is one to whom paragraph 21D applies but in those circumstances the return must be in such a form as HMRC may approve or prescribe.]

Textual Amendments

- F1** Sch. 4 paras. 21A-21F inserted (6.4.2012) by [The Social Security \(Contributions\) \(Amendment No. 3\) Regulations 2012 \(S.I. 2012/821\)](#), regs. 1(1), **11**
- F2** Words in Sch. 4 para. 21E(1) substituted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **9(a)**
- F3** Word in Sch. 4 para. 21E omitted (6.4.2015) by virtue of [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), regs. 1(4), **22(4)(c)**
- F4** Word in Sch. 4 para. 21E(2) substituted (6.4.2014) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2014 \(S.I. 2014/608\)](#), regs. 1(1), **9(b)**
- F5** Words in Sch. 4 para. 21E(2) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Social Security \(Contributions\) \(Amendment and Application of Schedule 38 to the Finance Act 2012\) Regulations 2013 \(S.I. 2013/622\)](#), regs. 1, **15(2)**
- F6** Word in Sch. 4 para. 21E(2) omitted (6.4.2021) by virtue of [The Social Security \(Contributions\) \(Amendment\) Regulations 2021 \(S.I. 2021/219\)](#), regs. 1, **3(a)(i)**
- F7** Word in Sch. 4 para. 21E(2) inserted (6.4.2021) by [The Social Security \(Contributions\) \(Amendment\) Regulations 2021 \(S.I. 2021/219\)](#), regs. 1, **3(a)(ii)**

- F8** Word in Sch. 4 para. 21E(3) substituted (6.4.2014) by The Social Security (Contributions) (Amendment) Regulations 2014 (S.I. 2014/608), regs. 1(1), **9(b)**
- F9** Sch. 4 para. 21E(5) substituted (6.4.2014) by The Social Security (Contributions) (Amendment) Regulations 2014 (S.I. 2014/608), regs. 1(1), **9(c)**
- F10** Words in Sch. 4 para. 21E(7)(a)(i) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Contributions) (Amendment and Application of Schedule 38 to the Finance Act 2012) Regulations 2013 (S.I. 2013/622), regs. 1, **15(3)(a)**
- F11** Sch. 4 para. 21E(7)(a)(ii) omitted (with application in accordance with reg. 1(2) of the amending S.I.) by virtue of The Social Security (Contributions) (Amendment and Application of Schedule 38 to the Finance Act 2012) Regulations 2013 (S.I. 2013/622), regs. 1, **15(3)(b)**
- F12** Words in Sch. 4 para. 21E(7)(a)(iii) inserted (6.4.2021) by The Social Security (Contributions) (Amendment) Regulations 2021 (S.I. 2021/219), regs. 1, **3(b)(i)**
- F13** Sch. 4 para. 21E(7)(a)(iiia)(iiib) inserted (6.4.2021) by The Social Security (Contributions) (Amendment) Regulations 2021 (S.I. 2021/219), regs. 1, **3(b)(ii)**
- F14** Sch. 4 para. 21E(7)(a)(iv)-(vi) substituted (6.4.2021) by The Social Security (Contributions) (Amendment) Regulations 2021 (S.I. 2021/219), regs. 1, **3(b)(iii)**
- F15** Words in Sch. 4 para. 21E(7)(b) substituted (6.4.2014) by The Social Security (Contributions) (Amendment) Regulations 2014 (S.I. 2014/608), regs. 1(1), **9(d)**
- F16** Words in Sch. 4 para. 21E(7)(c) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Contributions) (Amendment and Application of Schedule 38 to the Finance Act 2012) Regulations 2013 (S.I. 2013/622), regs. 1, **15(3)(c)**
- F17** Words in Sch. 4 para. 21E(8) inserted (6.4.2021) by The Social Security (Contributions) (Amendment) Regulations 2021 (S.I. 2021/219), regs. 1, **3(c)**

Changes to legislation:

There are currently no known outstanding effects for the The Social Security (Contributions) Regulations 2001, Paragraph 21E.