
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Contributions) Regulations (Northern Ireland) 1979 (S.R. 1979 No. 186) (“the principal Regulations”).

Regulation 1 provides for the citation, commencement and effect of these Regulations.

Regulation 2 provides for the interpretation of references in these Regulations.

Regulation 3 introduces the amendments to the principal Regulations.

Regulation 4 amends regulation 1(2) of the principal Regulations by inserting a definition for “cash voucher”.

Regulations 5 and 6 substitute new regulations 18 and 19 in the principal Regulations. The substituted provisions respectively introduce a new Schedule 1ZB (calculation of earnings for the purposes of earnings-related contributions in particular cases) and Schedule 1ZC (payments to be disregarded in the calculation of earnings for the purposes of earnings-related contributions). These Schedules are inserted into the principal Regulations by regulations 10 and 11 respectively.

Regulations 7 and 12 make amendments to the principal Regulations consequential on the restructuring of the provisions dealing with the calculation of earnings and payments to be disregarded in their calculation.

Regulation 8 amends regulation 43D of the principal Regulations (Class 2 and Class 3 contributions paid late through ignorance or error) so as to provide that the amount of a contribution paid in those circumstances is to be calculated by reference to the rate applicable at the start of the period within which the payment should have been made. Regulation 43D was inserted by regulation 7 of S.R. 1985 No. 61.

Regulation 9 makes an amendment to regulation 111 of the principal Regulations in respect of liability for a Class 1A contribution in the case of a person neither ordinarily resident nor ordinarily employed in Northern Ireland. The effect of the amendment is to extend the application of the 52 week period (during which no contribution is payable) to something provided to the earner and on which a Class 1A contribution would be chargeable. The amendment applies to the tax year 2000–01 and subsequent tax years, whilst all other amendments made by these Regulations apply to the tax year 2001–02 and subsequent tax years.