
STATUTORY INSTRUMENTS

2003 No. 193

**The Social Security (Contributions)
(Amendment) Regulations 2003**

Amendment of the principal Regulations

6. For regulation 21 substitute—

“Annual maxima for those with more than one employment

21.—(1) For the purposes of section 19(1) and (2) of the Act (power to prescribe maximum amounts of contributions and repayments of excess) if an earner is employed in more than one employment his liability in any year—

- (a) for primary Class 1 contributions; or
- (b) where both primary Class 1 contributions and Class 2 contributions are payable by him, for both primary Class 1 contributions and Class 2 contributions,

shall not exceed an amount which equals the amount found in accordance with paragraph (2).

(2) The amount is found as follows.

Step One

Calculate—

$$53 \times (UEL - PT)$$

Here *UEL* is the upper earnings limit, and *PT* the primary threshold, specified for the year.

Step Two

Multiply the result of Step One by 11 per cent.

Step Three

Add together, in respect of all of the employed earner's employments, so much of the earnings in each of those employments as exceeds the primary threshold and does not exceed the upper earnings limit.

Step Four

From the sum produced by Step Three subtract the amount found by the formula in Step One.

Step Five

If the result produced by Step Four is a positive value, multiply it by 1 per cent.

If that result is nil or a negative value, it is treated for the purposes of Step Eight as nil.

Step Six

Add together, in respect of all of the employed earner's employments, so much of the earnings in each of those employments as exceeds the upper earnings limit.

Step Seven

Multiply the sum produced by Step Six by 1 per cent.

Step Eight

Add together the amounts produced by Steps Two, Five and Seven.

The result of Step Eight is the annual maximum, subject to the further qualifications in paragraphs (3) and (4).

(3) For the purpose only of determining the extent of the earner's liability for contributions under paragraph (2), the amount of a primary Class 1 contribution which is paid at a rate less than 11 per cent.—

- (a) because the earner is in contracted-out employment, or
- (b) because the earner is a married woman who has made an election to pay contributions at the reduced rate as mentioned in regulation 127,

shall be treated as equal to the amount of the primary Class 1 contribution which would be payable if the employment were not contracted-out or the election had not been made.

(4) Paragraph (2) is subject to—

- (a) section 12 of the Act (late paid Class 2 contributions); and
- (b) regulations 63 to 65 (special provisions about Class 2 and Class 3 contributions paid late).

(5) Notwithstanding paragraphs (1) to (4), an earner shall be liable, in the first instance, for the full amount of the contributions which would have been payable but for this regulation.”.