
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations further amend the Social Security (Categorisation of Earnings) Regulations 1978 (S.I.1978/1689). Paragraph 9 of Schedule 3 to those Regulations provides that where an employee is employed by a foreign employer, and his services are made available, after 6th April 1994, to a person with a place of business in the U.K. (the “host employer”), the host employer is responsible for payment of secondary Class 1 national insurance contributions for the employee. The principal effect of these Regulations is to provide that paragraph 9 of Schedule 3 only applies to employed mariners if their employment duties are performed wholly or mainly in category A, B, C or D waters. Those waters are excluded from the meaning of “sea” in regulations made, or treated as made, under section 85 of the Merchant Shipping Act 1995.

Regulation 1 provides for citation and commencement.

Regulations 2 to 5 amend the Social Security (Categorisation of Earners) Regulations 1978.

Copies of Merchant Shipping Notice MSN 1776 (M) can be obtained from the Maritime and Coastal Agency (Communication and Innovation Branch), Spring Place, 105 Commercial Road, Southampton, SO15 1EG.

A regulatory impact assessment is available on the Inland Revenue website www.inlandrevenue.gov.uk or by post from Room 65, New Wing, Somerset House, Strand, London WC2R 1LB.