

2007 No. 2905

SOCIAL SECURITY

**The Social Security (Contributions) (Amendment No. 9)
Regulations 2007**

<i>Made</i> - - - -	<i>9th October 2007</i>
<i>Laid before Parliament</i>	<i>9th October 2007</i>
<i>Coming into force</i> - -	<i>30th October 2007</i>

The Treasury make these Regulations in exercise of the powers conferred by sections 3(2) and (3) and 175(4) of the Social Security Contributions and Benefits Act 1992(a) and sections 3(2) and (3), 170 and 171(4) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(b) and now vested in them.

The Secretary of State and the Department for Social Development concur in the making of these Regulations.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Contributions) (Amendment No. 9) Regulations 2007 and shall come into force on 30th October 2007.

(2) In these Regulations—

“the commencement date” means the date on which these Regulations come into force; and

“construction operations” has the meaning given by section 74 of the Finance Act 2004(c).

Amendment of the Social Security (Contributions) Regulations 2001 (S.I. 2001/1004)

2.—(1) The Social Security (Contributions) Regulations 2001(d) shall be amended in accordance with paragraph (2), but subject to the saving in paragraph (3).

(2) In Part 10 of Schedule 3 (miscellaneous sums disregarded in the computation of earnings), paragraph 12 (holiday pay) is revoked.

(a) 1992 c. 4. Section 3 has been amended: the relevant amendment is that made by paragraph 3 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2: “the Transfer Act”). Section 175(4) has been amended by paragraph 29(1) and (4) of Schedule 3 to the Transfer Act.

(b) 1992 c. 7. Section 3 has been amended: the relevant amendment is that made by paragraph 4 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671). Section 170 is cited because of the definition of “the Department” (i.e. the Department of Health and Social Services for Northern Ireland). The functions of the Department of Health and Social Services for Northern Ireland under the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7) and the Social Security Administration (Northern Ireland) Act 1992 (c. 8) were transferred to the Department for Social Development by Article 8(b) of and Part II of Schedule 6 to the Departments (Transfer and Assignment of Functions) Order (Northern Ireland) 1999 (S.R. 1999 No. 481). There are amendments to section 171 but none is relevant for present purposes.

(c) 2004 c. 12.

(d) S.I. 2001/1004: there are amendments but none is relevant for present purposes.

(3) But paragraph 12 of Part 10 of Schedule 3 shall continue to have effect until the fifth anniversary of the commencement date in the case of holiday pay derived from an employed earner's employment if—

- (a) the secondary contributor in relation to that employment is a person carrying on a business which includes construction operations; and
- (b) the employed earner was personally engaged in such operations at the time that entitlement to that pay accrued.

9th October 2007

Dave Watts
Frank Roy
Two of the Lords Commissioners of Her Majesty's Treasury

The Secretary of State concurs.

8th October 2007

Mike O'Brien
Minister of State,
Department for Work and Pensions

The Department for Social Development concurs.

The Official Seal of the Department is affixed on the 8th October 2007



B McGahan
A Senior Officer of the Department for Social Development

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Contributions) Regulations 2001 (S.I. 2001/1004).

Regulation 1 provides for the citation and commencement of the Regulations and defines some terms used in them.

Regulation 2 amends Part 10 of Schedule 3 to the 2001 Regulations by revoking paragraph 12, subject to a saving provision. Paragraph 12 provided for the disregarding of holiday pay, from a fund to which more than one secondary contributor contributed, in the computation of earnings if none of the secondary contributors had management or control of the fund and the person making the payment to the earner was entitled to reimbursement from the fund. The revocation will not apply for five years from the commencement of these Regulations in the case of holiday pay derived from an employed earner's employment where the secondary contributor is a person carrying on construction operations (within the meaning of section 74 of the Finance Act 2004) and the earner was personally engaged in such operations at the time that entitlement to that pay accrued.

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