

**2008 No. 2624**

**SOCIAL SECURITY**

**The Social Security (Contributions) (Amendment No. 5)  
Regulations 2008**

<i>Made</i>	- - - -	<i>6th October 2008</i>
<i>Laid before Parliament</i>		<i>6th October 2008</i>
<i>Coming into force</i>	- -	<i>27th October 2008</i>

The Treasury make the following Regulations in exercise of the powers conferred by sections 3(2) and (3) and 175(1A), (4) and (5) of the Social Security Contributions and Benefits Act 1992, and now exercisable by them<sup>(a)</sup>.

The Secretary of State concurs in the making of these Regulations.

**Citation and commencement**

1. These Regulations may be cited as the Social Security (Contributions) (Amendment No. 5) Regulations 2008 and shall come into force on 27th October 2008.

**Amendment of the Social Security (Contributions) Regulations 2001**

2.—(1) The Social Security (Contributions) Regulations 2001<sup>(b)</sup> are amended as follows.

(2) In Part 10 of Schedule 3 (miscellaneous payments to be disregarded in the computation of an employed earner's earnings)—

- (a) in sub-paragraph (1) of paragraph 1<sup>(c)</sup> for “2 to 20” substitute “2 to 21”; and
- (b) after paragraph 20 insert the following paragraph—

**“Better off in Work Credit payments**

**21.** Any Better off in Work Credit payment made pursuant to arrangements made by the Secretary of State under section 2 of the Employment and Training Act 1973<sup>(d)</sup>.

This paragraph does not apply to Northern Ireland.”

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(a) 1992 c. 4. Section 3(2) was amended by paragraph 3 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2: “the Transfer Act”). In section 175, subsection (1A) was inserted and subsection (4) amended by paragraph 29 of Schedule 3 to the Transfer Act; subsection (1A) was amended by Schedule 6 to the Tax Credits Act 2002 (c. 21).

(b) S.I. 2001/1004, relevant amending instruments are S.I. 2008/607 and 1431.

(c) Paragraph 1 was relevantly amended by S.I. 2008/607 and 1431.

(d) 1973 c. 50.

*Claire Ward*  
*Dave Watts*

6th October 2008

Two of the Lords Commissioners of Her Majesty's Treasury

The Secretary of State concurs.

Signed by authority of the Secretary of State for Work and Pensions

*Mike O'Brien*  
Minister of State

25th September 2008

Department for Work and Pensions

### **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations amend the Social Security (Contributions) Regulations 2001 (S.I. 2001/1004). In particular Schedule 3 to those Regulations allows certain payments to be disregarded in the computation of earnings for the purpose of establishing liability for earnings-related national insurance contributions. These Regulations provide such a disregard in Great Britain in respect of any payment of Better off in Work Credit.

A full and final Impact Assessment has not been produced for this instrument as a negligible impact on the private or voluntary sectors is foreseen.

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