

**2020 No. 525**

**SOCIAL SECURITY**

**The Social Security Contributions (Disregarded Payments)  
(Coronavirus) Regulations 2020**

<i>Made</i> - - - -	<i>20th May 2020</i>
<i>Laid before Parliament</i>	<i>21st May 2020</i>
<i>Coming into force</i> - -	<i>11th June 2020</i>

These Regulations are made by the Treasury in exercise of the powers conferred by section 3(2) and (3) of the Social Security Contributions and Benefits Act 1992(a) and section 3(2) and (3) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(b) and now exercisable by them.

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

**Citation, commencement, interpretation and effect**

1.—(1) These Regulations may be cited as the Social Security Contributions (Disregarded Payments) (Coronavirus) Regulations 2020.

(2) These Regulations come into force on 11th June 2020 and have effect for payments made on or after that date but before the end of the tax year 2020-21.

(3) In these Regulations—

“coronavirus” has the meaning given in section 1 of the Coronavirus Act 2020(c);

“ITEPA” means the Income Tax (Earnings and Pensions) Act 2003(d).

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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), so that the power to make regulations became exercisable by the Treasury with the concurrence of the Secretary of State.

(b) 1992 c. 7. Section 3(2) was amended by paragraph 4 of Schedule 3 to S.I. 1999/671 so that the power to make regulations became exercisable by the Treasury with the concurrence of the Department of Health and Social Services. The functions of the Department of Health and Social Services for Northern Ireland under the Social Security Contributions and Benefits (Northern Ireland) Act 1992 were transferred to the Department for Social Development by Article 8(b) of, and Part 2 of Schedule 6 to, the Departments (Transfer and Assignment of Functions) Order (Northern Ireland) 1999 (S.R. (NI) 1999 No 481). The Department for Social Development was renamed the Department for Communities by section 1(7) of the Department Act (Northern Ireland) 2016 (c. 5 (NI)).

(c) 2020 c.7.

(d) 2003 c. 1.

**Payments to be disregarded in the calculation of earnings for the purposes of earnings-related contributions**

2.—(1) A payment mentioned in paragraph (2) is to be disregarded in the calculation of earnings from an employed earner's(a) employment for the purpose of earnings-related contributions.

(2) A payment that is an amount reimbursed to an employed earner in respect of coronavirus related home office expenses.

(3) For the purposes of paragraph (2) "coronavirus related home office expenses" means expenses incurred by the employed earner in respect of equipment where—

- (a) that equipment was obtained for the sole purpose of enabling the employed earner to work from home as a result of the coronavirus outbreak; and
- (b) the provision of the equipment would have been exempt from income tax under section 316 of ITEPA if it had been provided directly to the employed earner by or on behalf of a secondary contributor(b).

*Iain Stewart*  
*Michael Tomlinson*

20th May 2020

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.

*Mims Davies*  
Parliamentary Under-Secretary of State  
Department for Work and Pensions

19th May 2020

The Department for Communities concurs.

Sealed with the Official Seal of the Department for Communities on 19th May 2020



*Anne McCleary*  
A senior officer of the Department for Communities

**EXPLANATORY NOTE**

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

These Regulations provide that amounts reimbursed to an employee in respect of expenses that the employee has incurred in obtaining office equipment to enable home working necessitated by the coronavirus outbreak will be disregarded when calculating the amount of earnings for the purposes of calculating that employee's liability to pay primary Class 1 contributions.

These Regulations will take effect for payments made on or after the day on which the Regulations come into force up until the end of the tax year 2020-21.

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(a) "earnings" and "employed earner" are defined in sections 3(1) of the Social Security Contributions and Benefits Act 1992 (c. 4) ("SSCBA") and the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7) ("SSCB(NI)A").

(b) "secondary contributor" is defined in sections 7 of the SSCBA and SSCB(NI)A.

A Tax Information and Impact Note covering this instrument will be published on the website at <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>.

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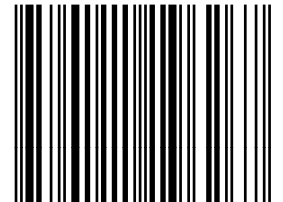
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