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## EXPLANATORY NOTE

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

These Regulations amend the National Insurance Contributions Act 2014 (c. 7) (“the Act”). Persons who incur liabilities to pay secondary Class 1 National Insurance contributions during a tax year are entitled under section 1 of the Act to claim an allowance, known as the “employment allowance”, which they can deduct from their payments in respect of these liabilities. Regulation 2 amends section 1(2)(a) of the Act so as to increase the maximum amount of the employment allowance from £4,000 to £5,000 for the tax year 2022-23 and subsequent years.

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