
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Contributions) Regulations 2001 (“the Contributions Regulations”) and the National Insurance Contributions Act 2022 (“the NICA 2022”). The amendments have effect from 6th April 2024.

Regulation 2 maintains at the same level as the previous year the weekly earnings limits and thresholds specified in regulation 10 of the Contributions Regulations, which are used for determining liability to Class 1 National Insurance contributions (“NICs”) and entitlement to associated state benefits.

Regulation 3 maintains at the same level as the previous year the upper secondary thresholds for earnings, and the prescribed equivalents for earners paid otherwise than weekly, for special tax site employees and armed forces veterans, specified in section 8 of the NICA 2022.

Regulation 4 provides for section 2(2) of the Social Security Act 1993 to have effect for the tax year 2024-25. This allows money provided by Parliament to be paid into the National Insurance Fund up to a limit of 5 per cent of the estimated benefit expenditure for the financial year ending with 31st March 2025. Regulation 5 makes corresponding provision for Northern Ireland, by giving effect to Article 4(3) of the Social Security (Northern Ireland) Order 1993.

Regulation 6 extends the availability of the zero-rate relief on secondary Class 1 NICs for employers of veterans for the tax year 2024-25. That relief is provided for in the NICA 2022.

A Tax Information and Impact Note has not been prepared for this instrument as it gives effect to previously announced policy and it relates to routine changes to limits and thresholds. A Tax Information and Impact Note covering NICs thresholds and related changes to income tax thresholds (remaining at 2022-23 levels until 2027-28) is available at <https://www.gov.uk/government/publications/the-personal-allowance-and-basic-rate-limit-for-income-tax-and-certain-national-insurance-contributions-nics-thresholds-from-6-april-2026-to-5-apr/income-tax-personal-allowance-and-the-basic-rate-limit-and-certain-national-insurance-contributions-thresholds-from-6-april-2026-to-5-april-2028>.