
STATUTORY INSTRUMENTS

1981 No. 230 (N.I. 9)

NORTHERN IRELAND

The Social Security (Contributions) (Northern Ireland) Order 1981

<i>Made</i>	18th February 1981
<i>Coming into Operation</i>	18th February 1981
<i>Laid before Parliament</i>	3rd March 1981

ARRANGEMENT OF ORDER

Article

1. Title and commencement.
2. Interpretation.
3. Increase in contributions.
4. Alteration of Consolidated Fund supplement to contributions.
5. Allocation of contributions.
6. Supplementary provisions.

SCHEDULE—Revocations.

At the Court at Buckingham Palace, the 18th day of February 1981

Present,

The Queen's Most Excellent Majesty in Council

Whereas this Order in Council is made only for purposes corresponding to those of the Social Security (Contributions) Act 1981 (a):

Now, therefore, Her Majesty, in exercise of the powers conferred by paragraph 1 of Schedule 1 to the Northern Ireland Act 1974 (b) (as modified by section 4 (4) of the said Act of 1981) and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

Title and commencement

1.—(1) This Order may be cited as the Social Security (Contributions) (Northern Ireland) Order 1981.

(2) Subject to paragraph (3), this Order shall come into operation forthwith.

(3) Articles 3 to 6 shall not apply in respect of any tax year before the tax year beginning with 6th April 1981.

(a) 1981 c. 1.

(b) 1974 c. 28.

Interpretation

2.—(1) The Interpretation Act (Northern Ireland) 1954 (a) shall apply to Article 1 and the following provisions of this Order as it applies to a Measure of the Northern Ireland Assembly.

(2) In this Order—

“Contributions Regulations” means the Social Security (Contributions) Regulations (Northern Ireland) 1979 (b);

“principal Act” means the Social Security (Northern Ireland) Act 1975 (c).

Increase in contributions

3.—(1) In regulation 7 of the Contributions Regulations (lower and upper earnings limits for Class 1 contributions)—

(a) for the words “6th April 1980” there shall be substituted the words “6th April 1981”; and

(b) for “£23.00” and “£165.00” there shall be substituted, respectively, “£27” and “£200”.

(2) In section 4 (6) (a) of the principal Act (amount of primary Class 1 contribution), for the words “6.75 per cent.” there shall be substituted the words “7.75 per cent.”.

(3) In regulation 102 of the Contributions Regulations (reduced rate Class 1 contribution of married women and widows), for the words “2 per cent.” there shall be substituted the words “2.75 per cent.”.

(4) In section 7 of the principal Act (amount of Class 2 contribution)—

(a) in subsection (1) (weekly rate) for “£2.50” there shall be substituted “£3.40”;

(b) in subsection (5) (small earnings exception) for “£1,250” there shall be substituted “£1,475”.

(5) In regulation 96 (c) of the Contributions Regulations (amount of Class 2 contribution of share fishermen), for “£3.90” there shall be substituted “£5.15”.

(6) In section 8 (1) of the principal Act (amount of Class 3 contribution) for “£2.40” there shall be substituted “£3.30”.

(7) In sections 9 (2) and 10 (1) of the principal Act (Class 4 contributions recoverable under Tax Acts and regulations)—

(a) for the words “5 per cent.” (amount of contribution) there shall be substituted, in each case, the words “5.75 per cent.”;

(b) for “£2,650” (lower limit) wherever that amount appears there shall be substituted “£3,150”;

(c) for “£8,300” (upper limit) there shall be substituted, in each case, “£10,000”.

Alteration of Consolidated Fund supplement to contributions

4.—(1) In section 1 (5) of the principal Act (Consolidated Fund supplement to contributions to be a fixed percentage of so much of all contributions paid in the year concerned as remains after deducting the appropriate health service allocation and the appropriate employment protection allocation), for the words “18 per cent.” there shall be substituted the words “14.5 per cent.”.

(2) After subsection (5) of section 1 of the principal Act there shall be inserted the following subsection—

(a) 1954 c. 33 (N.I.).

(b) S.R. 1979 No. 186.

(c) 1975 c. 15.

“(5A) The Department may, with the consent of the Department of Finance, by order amend subsection (5) above in relation to any tax year beginning after the tax year 1981-82 by substituting for the percentage for the time being specified in subsection (5) a different percentage; but no such order shall substitute a figure which represents an increase or decrease in the supplement of more than 2 per cent. of the relevant residue of contributions.”.

Allocation of contributions

5.—(1) Section 128 of the principal Act (destination of contributions and supplements) shall be amended as follows.

(2) In subsection (4), in the definition of “the appropriate health service allocation”—

- (a) in paragraph (a) (primary Class 1 contributions), for the words “0.4 per cent.” there shall be substituted the words “0.65 per cent.”;
- (b) in paragraph (c) (Class 2 contributions), for the words “8 per cent.” there shall be substituted the words “11.5 per cent.”;
- (c) in paragraph (d) (Class 3 contributions), for the words “8 per cent.” there shall be substituted the words “11.5 per cent.”;
- (d) in paragraph (e) (Class 4 contributions), for the words “0.6 per cent.” there shall be substituted the words “0.85 per cent.”.

(3) After subsection (4) there shall be inserted the following subsections—
“(4A) The Department may, with the consent of the Department of Finance, by order amend any of paragraphs (a) to (e) of subsection (4) above, in relation to any tax year beginning after the tax year 1981-82, by substituting for the percentage for the time being specified in that paragraph a different percentage.

(4B) No order under subsection (4A) above shall substitute a figure which represents an increase or decrease in the appropriate health service allocation of more than—

- (a) 0.1 per cent. of the relevant earnings, in the case of paragraph (a) or (b);
- (b) 4 per cent. of the relevant contributions, in the case of paragraph (c) or (d); or
- (c) 0.2 per cent. of the relevant earnings, in the case of paragraph (e).”.

Supplementary provisions

6.—(1) In section 156 (2) of the principal Act, for paragraph (b) (which makes orders made wholly or partly by virtue of section 17 (3) of that Act subject to confirmatory procedure) there shall be substituted the following paragraph—

“(b) any order made by the Department wholly or partly by virtue of any of the following provisions of this Act, namely—
section 1 (5A) (alteration of Consolidated Fund supplement to contributions);
section 17 (3) (substituted provision for section 17 (1) and (2));
section 128 (4A) (alteration of appropriate health service allocation);”.

(2) The regulations and orders set out in the Schedule are hereby revoked to the extent specified in the third column of the Schedule.

N. E. Leigh,
Clerk of the Privy Council.

Article 6 (2).

SCHEDULE

REVOCATIONS

Number	Title	Extent of Revocation
S.R. 1978 No. 10.	The Social Security (Contributions, Re-rating) Order (Northern Ireland) 1978.	The whole order.
S.R. 1979 No. 457.	The Social Security (Contributions) (Earnings Limits) (Amendment) Regulations (Northern Ireland) 1979.	The whole regulations.
S.R. 1979 No. 459.	The Social Security (Contributions, Re-rating) Order (Northern Ireland) 1979.	The whole order.
S.R. 1980 No. 93.	The Social Security (Contributions, Re-rating) Consequential Amendment Regulations (Northern Ireland) 1980.	Regulation 3.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order is made only for purposes corresponding to those of the Social Security (Contributions) Act 1981.

Article 3 increases the national insurance contribution rates of employed and self-employed earners and voluntary contributors. It also increases the lower and upper earnings limits for the payment of contributions by employed earners and their employers; the small earnings exception below which self-employed earners may be excepted from liability to pay a flat-rate contribution; and the upper and lower limits of profits or gains between which earnings-related contributions are payable by self-employed earners.

Article 4 reduces the percentage rate of the Consolidated Fund supplement to national insurance contributions and empowers the Department of Health and Social Services to amend by order the percentage rate of the supplement in relation to future tax years by up to two percentage points.

Article 5 increases the percentage rates of the health service allocation deducted from primary Class 1 contributions and from Class 2, 3 and 4 contributions and paid towards the cost of the health service. Article 5 also empowers the Department of Health and Social Services to amend by order the percentage rates of the allocation from all classes of contributions in respect of future tax years within specified limits.

Article 6 makes supplementary provisions.

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