
STATUTORY INSTRUMENTS

1998 No. 1506

The Social Security (Northern Ireland) Order 1998

**PART III
CONTRIBUTIONS**

Amendments of the Administration Act

Offences and penalties relating to contributions

57. For section 108 of the Administration Act there shall be substituted the following sections—

“108 Offences relating to contributions.

(1) Any person who is knowingly concerned in the fraudulent evasion of any contributions which he or any other person is liable to pay shall be guilty of an offence.

(2) A person guilty of an offence under this section shall be liable—

- (a) on conviction on indictment, to imprisonment for a term not exceeding 7 years or to a fine or to both;
- (b) on summary conviction, to a fine not exceeding the statutory maximum.

108A Penalties relating to contributions.

(1) If a person fails to pay, at or within the time prescribed for the purpose, any contribution which he is liable to pay, he shall be liable to a penalty.

(2) If a person fails to pay, at or within the time prescribed for the purpose, any sums which he is required by regulations made by virtue of paragraph 6 or 7B of Schedule 1 to the Contributions and Benefits Act to pay, he shall be liable to a penalty under subsection (1) above without proof of his failure so to pay any particular contribution.

(3) For the purposes of subsection (1) above, regulations shall—

- (a) prescribe the amount or rate of penalty, or provide for how it is to be ascertained;
- (b) provide for the penalty to be imposed by the Department—
 - (i) within 6 years after the date on which the penalty is incurred; or
 - (ii) where the amount of the penalty is to be ascertained by reference to the amount of any contributions payable, at any later time within 3 years after the final determination of the amount of those contributions;
- (c) provide for determining the date on which, for the purposes of paragraph (b) above, the penalty is incurred;
- (d) prescribe the means by which the penalty is to be enforced; and

- (e) provide for enabling the Department, in its discretion, to mitigate or to remit any such penalty, or to stay or to compound any proceedings for a penalty.
- (4) Subsection (1) above does not apply—
 - (a) to any failure by a person in respect of which he has been convicted of an offence under section 108(1) above; or
 - (b) to Class 4 contributions recoverable by the Inland Revenue.”.