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STATUTORY RULES OF NORTHERN IRELAND

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**1996 No. 149**

**PENSIONS**

**The Social Security (Reduced Rates of Class 1 Contributions) (Salary Related Contracted-out Schemes) Order (Northern Ireland) 1996**

*Made* - - - - *4th April 1996*  
*Coming into operation* *6th April 1997*

Whereas the Secretary of State for Social Security has made an Order<sup>(1)</sup> under section 42 of the Pension Schemes Act 1993<sup>(2)</sup>:

Now, therefore, the Department of Health and Social Services for Northern Ireland, in exercise of the powers conferred on it by section 38 of the Pension Schemes (Northern Ireland) Act 1993<sup>(3)</sup> and of all other powers enabling it in that behalf, hereby makes the following Order:

**Citation, commencement and interpretation**

1.—(1) This Order may be cited as the Social Security (Reduced Rates of Class 1 Contributions) (Salary Related Contracted-out Schemes) Order (Northern Ireland) 1996 and shall come into operation on 6th April 1997.

(2) The Interpretation Act (Northern Ireland) 1954<sup>(4)</sup> shall apply to this Order as it applies to a Measure of the Assembly.

**Alteration of reduced rates of Class 1 contributions**

2. In section 37(1A) of the Pension Schemes (Northern Ireland) Act 1993<sup>(5)</sup> (reduced rates of Class 1 contributions) the percentage specified—

- (a) in paragraph (a) shall be 1·6 per cent; and
- (b) in paragraph (b) shall be 3 per cent.

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(1) S.I. 1996/1054

(2) 1993 c. 48

(3) 1993 c. 49; section 38 was amended by Article 134(3) of the Pensions (Northern Ireland) Order 1995 (S.I. 1995/3213 (N.I. 22))

(4) 1954 c. 33 (N.I.)

(5) Section 37(1) and (1A) was substituted for section 37(1) by Article 134(2) of the Pensions (Northern Ireland) Order 1995

### **Consequential provision**

**3.** In paragraph 2(3)(a) of Schedule 3 to the Pension Schemes (Northern Ireland) Act 1993(6) (priority in bankruptcy, etc: employer's contributions to an occupational pension scheme), so far as the percentage specified in that paragraph applies in relation to earnings paid or payable on or after 6th April 1997, the percentage specified for non-contributing earners in relation to a salary related contracted-out scheme shall be 4.6 per cent.

Sealed with the Official Seal of the Department of Health and Social Services for Northern Ireland  
on

4th April 1996

*W. G. Purdy*  
Assistant Secretary

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(6) Paragraph 2(3)(a) is amended by Article 134(5)(a) of the Pensions (Northern Ireland) Order 1995. *See also* Article 134(6) of that Order

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## EXPLANATORY NOTE

*(This note is not part of the Order.)*

This Order, which corresponds to an Order (S.I. [1996/1054](#)) made by the Secretary of State for Social Security under section 42 of the Pension Schemes Act 1993, specifies with effect from 6th April 1997 the contracted-out percentages to be deducted from primary and secondary Class 1 contributions in respect of members of salary related contracted-out schemes.

A consequential provision alters the percentage specified in paragraph 2(3)(a) of Schedule 3 to the Pension Schemes (Northern Ireland) Act 1993 (priority in bankruptcy, etc: employer's contributions to an occupational pension scheme) for non-contributing earners in relation to a salary related contracted-out scheme.

Section 38 of the Pension Schemes (Northern Ireland) Act 1993, the enabling provision under which this Order is made, was amended by Article 134(3) of the Pensions (Northern Ireland) Order 1995. The Pensions (1995 Order) (Commencement No. 2) Order (Northern Ireland) 1996 (S.R. [1996 No. 91](#) (C. 4)) provides for the coming into operation of Article 134(3) on 14th March 1996 for the purpose only of authorising the making of orders.