



Child Support, Pensions and Social Security Act 2000

2000 CHAPTER 19

PART IV

NATIONAL INSURANCE CONTRIBUTIONS

Northern Ireland

78 Contributions in respect of benefits in kind: Northern Ireland.

- (1) In section 1(2)(b) of the ^{M1}Social Security Contributions and Benefits (Northern Ireland) Act 1992 (Class 1A contributions), the words “in respect of cars made available for private use and car fuel” shall be omitted.
- (2) For section 10 of that Act (Class 1A contributions) there shall be substituted—

“10 Class 1A contributions: benefits in kind etc.

- (1) Where—
 - (a) for any tax year an earner is chargeable to income tax under Schedule E on an amount which for the purposes of the Income Tax Acts is or falls to be treated as an emolument received by him from any employment (“the relevant employment”),
 - (b) the relevant employment is both employed earner’s employment and employment to which Chapter II of Part V of the 1988 Act (employment as a director or with annual emoluments of more than £8,500) applies, and
 - (c) the whole or a part of the emolument falls, for the purposes of Class 1 contributions, to be left out of account in the computation of the earnings paid to or for the benefit of the earner,

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a Class 1A contribution shall be payable for that tax year, in accordance with this section, in respect of that earner and so much of the emolument as falls to be so left out of account.

- (2) Subject to section 10ZA below, a Class 1A contribution for any tax year shall be payable by—
- (a) the person who is liable to pay the secondary Class 1 contribution relating to the last (or only) relevant payment of earnings in that tax year in relation to which there is a liability to pay such a Class 1 contribution; or
 - (b) if paragraph (a) above does not apply, the person who, if the emolument in respect of which the Class 1A contribution is payable were earnings in respect of which Class 1 contributions would be payable, would be liable to pay the secondary Class 1 contribution.
- (3) In subsection (2) above “relevant payment of earnings” means a payment which for the purposes of Class 1 contributions is a payment of earnings made to or for the benefit of the earner in respect of the relevant employment.
- (4) The amount of the Class 1A contribution in respect of any emolument shall be the Class 1A percentage of so much of it as falls to be left out of account as mentioned in subsection (1)(c) above.
- (5) In subsection (4) above “the Class 1A percentage” means a percentage rate equal to the percentage rate specified as the secondary percentage in section 9(2) above for the tax year in question.
- (6) No Class 1A contribution shall be payable for any tax year in respect of so much of any emolument as is taken for the purposes of the making of Class 1B contributions for that year to be included in a PAYE settlement agreement.
- (7) For the purposes of this section—
- (a) the amounts which for the purposes of the Income Tax Acts are or fall to be treated as emoluments received by an earner from any employment shall be determined (subject to paragraph (b) below) disregarding sections 198, 201, 201AA and 332(3) of the 1988 Act (deductions for expenses etc.); but
 - (b) where an amount which is deductible in respect of any matter under any of those sections is at least equal to the whole of any corresponding amount which (but for this paragraph) would fall by reference to that matter to be included in those emoluments, the whole of the corresponding amount shall be treated as not so included.
- (8) The Treasury may by regulations—
- (a) modify the effect of subsection (7) above by adding any enactment contained in the Income Tax Acts to the list of sections of the 1988 Act contained in paragraph (a) of that subsection; or
 - (b) make such amendments of subsection (7) above as appear to them to be necessary or expedient in consequence of any alteration of the provisions of the Income Tax Acts relating to the charge to tax under Schedule E.
- (9) The Treasury may by regulations provide—

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- (a) for Class 1A contributions not to be payable, in prescribed circumstances, by prescribed persons or in respect of prescribed persons or emoluments;
 - (b) for reducing Class 1A contributions in prescribed circumstances.
- (10) In this section “the 1988 Act” means the ^{M2}Income and Corporation Taxes Act 1988.”
- (3) For subsection (6) of section 4 of that Act (power to treat emoluments in respect of share acquisitions etc. as earnings) there shall be substituted—
 - “(6) Regulations may make provision for the purposes of this Part—
 - (a) for treating any amount on which an employed earner is chargeable to income tax under Schedule E as remuneration derived from the earner’s employment; and
 - (b) for treating any amount which in accordance with regulations under paragraph (a) above constitutes remuneration as an amount of remuneration paid, at such time as may be determined in accordance with the regulations, to or for the benefit of the earner in respect of his employment.”
- (4) In paragraph 5(b) of Schedule 1 to that Act (power to modify section 10 for cases where a car is made available by reason of more than one employment), for “a car is made available” there shall be substituted “something is provided or made available”.
- (5) In paragraph 8(1)(ia) of that Schedule (power to provide by regulations for repayment in prescribed cases of the whole or a part of a Class 1B contribution), after “part” there shall be inserted “of a Class 1A or”.
- (6) In section 114(4) of the ^{M3}Social Security Administration (Northern Ireland) Act 1992 (proof of previous offences relating to Class 1A contributions), for “car” there shall be substituted “amount”.
- (7) In section 142(5)(c) of that Act (appropriate health service allocation of Class 1A contributions), for “cash equivalents of the benefits of the cars and car fuel” there shall be substituted “emoluments”.
- (8) This section shall have effect in relation to the tax year beginning with 6th April 2000 and subsequent tax years.
- (9) Regulations made by statutory instrument under any power conferred by virtue of this section may be made so as to have retrospective effect in relation to any time in the tax year in which they are made (including, in the case of regulations made in the tax year in which this Act is passed, any time in that tax year before the passing of this Act).

Marginal Citations

M1 1992 c. 7.

M2 1988 c. 1.

M3 1992 c. 8.

Changes to legislation:

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 70A inserted by [2012 c. 5 Sch. 3 para. 13](#)
- Sch. 7 para. 1(2)(c) inserted by [2007 c. 5 Sch. 5 para. 13](#)
- Sch. 7 para. 6(5A)(5B) inserted by [2012 c. 5 Sch. 11 para. 13\(3\)](#)
- Sch. 7 para. 6(8)(b) inserted by [2012 c. 5 Sch. 11 para. 13\(4\)\(b\)](#)
- Sch. 7 para. 6(8)(a) words in Sch. 7 para. 6(8) renumbered as Sch. 7 para. 6(8)(a) by [2012 c. 5 Sch. 11 para. 13\(4\)\(a\)](#)

Commencement Orders yet to be applied to the Child Support, Pensions and Social Security Act 2000

Commencement Orders bringing provisions within this Act into force:

- [S.I. 2003/346 art. 2](#) amendment to earlier commencing [SI 2003/192 art. 6](#)