



National Insurance Contributions Act 2011

2011 CHAPTER 3

PART 2

REGIONAL SECONDARY CONTRIBUTIONS HOLIDAY FOR NEW BUSINESSES

7 The appropriate amount

- (1) The appropriate amount in respect of a qualifying employee is the relevant amount of secondary Class 1 contributions.
- (2) “The relevant amount of secondary Class 1 contributions” is the amount of secondary Class 1 contributions which P is liable to pay in respect of relevant earnings.
- (3) “Relevant earnings” are earnings paid to or for the benefit of the qualifying employee, in respect of employment as an employed earner for the purposes of the new business, at any time during the holiday period when the principal place at which the business is carried on is not in any of the excluded regions.
- (4) But if (apart from this subsection) the relevant amount of secondary Class 1 contributions would exceed £5,000, it is the first £5,000 which P becomes liable to pay.
- (5) In the case of a qualifying employee who is a mariner, the reference in subsection (3) to earnings paid at any time during the holiday period includes, in relation to earnings paid for a voyage beginning in the holiday period but ending after it, earnings earned in the part of the voyage period falling within the holiday period.

“Mariner” and “voyage period” have the meaning given by regulation 115 of the 2001 Regulations.

- (6) If P is liable to pay secondary Class 1 contributions at the contracted-out rate, P is to be treated for the purposes of subsection (2) as liable to pay them at the non-contracted-out rate; and for this purpose “contracted-out rate” and “non-contracted-out rate” have the same meaning as in the 2001 Regulations.

Changes to legislation:

There are currently no known outstanding effects for the National Insurance Contributions Act 2011, Section 7.