



National Insurance Contributions Act 2014

2014 CHAPTER 7

Employment allowance

3 Connected persons

- (1) This section applies if—
 - (a) at the beginning of a tax year, two or more companies which are not charities are connected with one another, and
 - (b) apart from this section, two or more of those companies would qualify for an employment allowance for the tax year.
- (2) This section also applies if—
 - (a) at the beginning of a tax year, two or more charities are connected with one another, and
 - (b) apart from this section, two or more of those charities would qualify for an employment allowance for the tax year.
- (3) Only one of the companies or charities mentioned in subsection (1)(b) or (2)(b) (as the case may be) can qualify for an employment allowance for the tax year.
- (4) It is up to the companies or charities so mentioned to decide which of them that will be.
- (5) Part 1 of Schedule 1 sets out the rules for determining if two or more companies are “connected” with one another for the purposes of subsection (1).
- (6) Part 2 of Schedule 1 sets out the rules for determining if two or more charities are “connected” with one another for the purposes of subsection (2).
- (7) In this section and Schedule 1—
 - “charity” has the same meaning as in the Small Charitable Donations Act 2012 (see section 18(1) of that Act), subject to paragraph 8(5) of Schedule 1, and
 - “company” has the meaning given by section 1121(1) of the Corporation Tax Act 2010 (meaning of “company”) and includes a limited liability partnership.