National Insurance Contributions (Reduction in Rates) Act 2024

2024 CHAPTER 5

An Act to make provision for and in connection with reducing the main rates of primary Class 1 national insurance contributions and Class 4 national insurance contributions. [20th March 2024]

BE IT ENACTED by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Reduction in rates

(1) In the following provisions—

(a) section 8(2)(a) of the Social Security Contributions and Benefits Act 1992 (main primary percentage for Great Britain), and

(b) section 8(2)(a) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (main primary percentage for Northern Ireland),

for "10%" substitute "8%".

(2) In regulation 131 of the Social Security (Contributions) Regulations 2001 (reduced rate of primary Class 1 contributions otherwise payable at the main primary percentage), for "3.85%" substitute "1.85%".

(3) In the following provisions (as they had effect immediately before the day on which this Act comes into force)—

(a) section 15(3ZA)(a) of the Social Security Contributions and Benefits Act 1992 (main Class 4 percentage for Great Britain), and

(b) section 15(3ZA)(a) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (main Class 4 percentage for Northern Ireland),

for "9 per cent" substitute "6%".

(4) Section 2 of the National Insurance Contributions (Reduction in Rates) Act 2023 is superseded by subsection (3) and accordingly is to be treated as never having had effect.

Commencement Information

I1 S. 1 in force at 6.4.2024, see **s. 3(1)**

2 Annual maximum contributions

(1) The Social Security (Contributions) Regulations 2001 (as they had effect immediately before the day on which this Act comes into force) are amended as follows.

(2) In regulation 21 (annual maxima for those with more than one employment), in paragraph (2), in Step Two, for "11.5%" substitute "8%".

(3) In regulation 100 (annual maximum of Class 4 contributions), in paragraph (3)—

(a) in Step Two, for "9 per cent" substitute "6%", and

(b) in Step Five, for "100/9" substitute "100/6".

(4) Paragraph 3 of the Schedule to the National Insurance Contributions (Reduction in Rates) Act 2023 is superseded by this section and accordingly is to be treated as never having had effect.

Commencement Information

I2 S. 2 in force at 6.4.2024, see **s. 3(1)**

3 Commencement and short title

(1) This Act comes into force on 6 April 2024.

(2) This Act may be cited as the National Insurance Contributions (Reduction in Rates) Act 2024.

Commencement Information

I3 S. 3 in force at 6.4.2024, see **s. 3(1)**

Status:
Point in time view as at 06/04/2024.

Changes to legislation:
There are currently no known outstanding effects for the National Insurance Contributions (Reduction in Rates) Act 2024.