
STATUTORY INSTRUMENTS

1966 No. 1048

SOCIAL SECURITY

The National Insurance (Graduated Contributions and Non-Participating Employments—Consequential) Regulations 1966

<i>Made</i>	- - - -	<i>15th August 1966</i>
<i>Laid before Parliament</i>		<i>22nd August 1966</i>
<i>Coming into Operation</i>		<i>5th October 1966</i>

The Minister of Social Security, in conjunction with the Treasury, in exercise of powers conferred by sections 4(4) and (7) and 56(3) of the National Insurance Act 1965 and by Schedule 1, paragraphs 2, 3 and 6 to the National Insurance Act 1966, in consequence of the last-mentioned Act, and in exercise of all other powers enabling her in that behalf, hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These regulations, which may be cited as the National Insurance (Graduated Contributions and Non-participating Employments—Consequential) Regulations 1966, shall come into operation on 5th October 1966.

(2) In these regulations, unless the context otherwise requires:—

“the Act” means the National Insurance Act 1965;

“the Act of 1966” means the National Insurance Act 1966;

“the Assessment Regulations” means the National Insurance (Assessment of Graduated Contributions) Regulations 1960 (1);

“the Assurance Regulations” means the National Insurance (Non-participation—Assurance of Equivalent Pension Benefits) Regulations 1960(2);

“the Miscellaneous Provisions Regulations” means the National Insurance (Graduated Contributions and Non-participating Employments—Miscellaneous Provisions) Regulations 1960(3);

and other expressions have the same meanings as in the Act.

(1) (1960 II, p. 2210).

(2) (1960 II, p. 2244).

(3) (1960 II, p. 2234).

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(3) References in these regulations to any enactment or regulation shall, except in so far as the context otherwise requires, be construed as references to that enactment or regulation as amended or extended by or under any other enactment, order or regulation.

(4) The rules for the construction of Acts of Parliament contained in the Interpretation Act 1889 shall apply in relation to this instrument and in relation to the revocations effected by it as if this instrument and the regulations revoked were Acts of Parliament, and as if each revocation were a repeal.

Payments in lieu of contributions

2. In the Assurance Regulations, after regulation 20(4), there shall be inserted the following regulation:—

“Calculation of graduated contributions for the purposes of payments in lieu of contributions

21. For the purposes of section 58 of the National Insurance Act 1965, as amended⁽⁵⁾ (payments in lieu of contributions) the graduated contributions (payable by the insured person and his employer) referred to in paragraph (a) of that section shall, in respect of any contribution week beginning after 5th October 1966, be taken in each case as 7s. 8d.”

Annual Maximum

3. In paragraph (b) of regulation 9⁽⁶⁾ of the Assessment Regulations (annual maximum), after the words “6th April 1963” there shall be inserted the words “and before 6th April 1966”, and at the end of the said regulation 9 there shall be added:—

“(c) in respect of the income tax year beginning on 6th April 1966, shall, if the graduated contributions so paid in that year amount to £23 12s. 7d. or more, be £23 2s. 7d.;

(d) in respect of any income tax year ending after 6th April 1967, shall, if the graduated contributions so paid in that year amount to £26 6s. 9d. or more, be £25 16s. 9d.”

Treatment of remuneration for graduated contributions purposes

4.—(1) In regulation 2 of the Miscellaneous Provisions Regulations (computation of remuneration), for paragraphs (1) and (2), there shall be substituted the following:—

“(1) Where payments are made to a person on account of remuneration in two or more employments under the same employer which include both an employment which is, and an employment which is not, at the time of payment in respect thereof a non-participating employment, and, under section 4(3)(a) of the National Insurance Act 1965, those payments fall to be aggregated and treated as a single payment of remuneration in one employment, that one employment shall, for the purposes of the said section 4(3)(a), be taken to be—

- (a) an employment which is at the time of the payment a non-participating employment, if at the time of the payment (or each payment if there is more than one) in respect of participating employment which falls to be aggregated the person is employed in a non-participating employment under that employer; and
- (b) subject to the provisions of paragraph (2A) of this regulation, in any other case an employment which is at the time of the payment a participating employment;

(4) See S.I. 1963/1265 (1963 II, p. 2114).

(5) See National Insurance Act 1966 (1966 c. 6), Schedule 1, para. 8.

(6) See S.I. 1963/676 reg. 5 (1963 I, p. 815).

and for the purposes of this Part of these regulations a “participating employment” means an employment which is not a non-participating employment.

(2) Subject to the provisions of paragraph (2B) of this regulation and without prejudice to the provisions of section 4(5) of the National Insurance Act 1965 as to the disregarding of payments of remuneration, where a payment on account of a person's remuneration in a participating employment is made at a time when he is employed in a non-participating employment under the same employer, then, if that payment does not fall to be aggregated under section 4(3)(a) of that Act with a payment of remuneration from the other employment, the payment shall, for the purpose of graduated contributions, be treated as a payment on account of remuneration in an employment which is at the time of the payment a non-participating employment.

(2A) Where a payment (hereafter in this paragraph called “the payment in question”) on account of a person's remuneration in a participating employment is made at a time when that employment and his employment in a non-participating employment under the same employer have both come to an end, then, if the last payment made on account of his remuneration in that participating employment before that participating employment came to an end fell (or would but for its being made before 5th October 1966 have fallen) under the provisions of paragraph (1) or paragraph (2) of this regulation to be treated as a payment on account or remuneration in an employment which was at the time of the payment a non-participating employment, the said provisions shall apply as if the payment in question had been made at a time when the said person was employed in the non-participating employment under that employer.

(2B) The provisions of paragraph (2) of this regulation shall not apply in a case where, having regard to the arrangements which are or might reasonably be made for the calculation and payment of the remuneration, it is not reasonably practicable at or before the time of the payment for any of the persons calculating or making the payment to have such information about the other employment as would enable them to know whether the provisions in question were applicable.”

(2) In paragraph (3) of the said Regulation 2, the words “of paragraph (1)” shall be omitted.

Calculation of excess graduated contributions

5. For regulation 4 of the Miscellaneous Provisions Regulations (calculation of excess graduated contributions), there shall, in relation to the income tax year ending 5th April 1967 and any subsequent income tax year, be substituted the following:—

“Calculation of excess graduated contributions

4. For the purposes of section 56(3) of the National Insurance Act 1965, as amended by Schedule 1 paragraph 6 to the National Insurance Act 1966 (which relates to the determination of any question as to the amount, if any, by which the graduated contributions paid by certain persons in respect of remuneration paid in any income tax year exceeded the amount prescribed under section 4(4) of the National Insurance Act 1965)—

(a) a person's employment in a non-participating employment shall be treated as continuing until, and as coming to an end at, the time at which it is treated for the purpose of the provisions of Part III of the National Insurance Act 1965 relating to payments in lieu of contributions as having come to an end:

Provided that the Minister, in any case in which she extends or has extended the period during which, for the purpose of the said provisions of Part III of that Act, a person's employment is not to be treated as having come to an end or an

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interruption therein is to be disregarded, may direct that the employment shall be treated for the purposes of the said section 56(3) as coming to an end at such earlier time as she may specify, being a time not earlier than that at which but for the extension it would have been treated for those purposes as coming to an end;

- (b) the prescribed manner and period for such an application as is referred to in the said Schedule 1 paragraph 6 in relation to any income tax year shall be, respectively, in writing to the Minister and not later than six years after the end of the income tax year in question:

Provided that (except where the Minister in her absolute discretion allows to the contrary) an application shall be deemed not to have been made within the prescribed time if it is made after the beginning of the first week in respect of which the person concerned was (subject to any provision as to earnings) entitled to receive payment of a retirement pension;

- (c) the prescribed amount of the graduated contribution deemed to have been paid by an insured person on the first day of any contribution week such as is referred to in the said section 56(3) shall be taken as 7s. 8d., so, however, that not more than one such contribution shall be deemed to have been paid in any one contribution week.”

12th August 1966

Margaret Herbison
Minister of Social Security

15th August 1966

Joseph Harper
George Lawson
Two of the Lords Commissioners of Her
Majesty's Treasury

EXPLANATORY NOTE

These Regulations are made in consequence of the National Insurance Act 1966 and accordingly, by virtue of section 14(6) of that Act, no reference of them has been made to the National Insurance Advisory Committee.

The Regulations amend the National Insurance (Non-participation—Assurance of Equivalent Pension Benefits) Regulations 1960, the National Insurance (Assessment of Graduated Contributions) Regulations 1960 and the National Insurance (Graduated Contributions and Non-participating Employments—Miscellaneous Provisions) Regulations 1960. They secure that the amount of a payment in lieu of contributions remains unchanged after the National Insurance Act 1966 comes into force, and make provisions with regard to the rate, and annual maximum, of graduated contributions in certain cases where a person is or has been employed in more than one employment.