

1975 No. 1829**SOCIAL SECURITY****The Social Security (Contributions, Re-rating) Order 1975***Laid before Parliament in draft**Made - - - - 12th November 1975**Coming into Operation 6th April 1976*

Whereas a draft of the following order was laid before Parliament and approved by resolution of each House of Parliament:

Now, therefore, the Secretary of State for Social Services in conjunction with the Treasury in so far as relates to matters with regard to which the Treasury has so directed (a) and in exercise of the powers conferred upon her by sections 120 and 122(1) of the Social Security Act 1975 (b) and all other powers enabling her in that behalf hereby makes the following order:—

Citation, commencement and interpretation

1.—(1) This order may be cited as the Social Security (Contributions, Re-rating) Order 1975 and shall come into operation on 6th April 1976.

(2) In this order, unless the context otherwise requires, “the Act” means the Social Security Act 1975, and other expressions have the same meanings as in the Act.

(3) The rules for the construction of Acts of Parliament contained in the Interpretation Act 1889(c) shall apply for the purposes of the interpretation of this order as they apply for the purposes of the interpretation of an Act of Parliament.

Lower and upper earnings limits and rates of Class 1 contributions

2. In section 4 of the Act (Class 1 contributions—incidence)—

(a) in sub-section (1) for “£11 and £69” (lower and upper earnings limits) there shall be substituted “£13 and £95”;

(b) in sub-section (6) there shall be substituted:—

(i) for “5·5 per cent” (primary contribution) “5·75 per cent”, and

(ii) for “8·5 per cent” (secondary contribution) “8·75 per cent”.

Small earnings exception from Class 2 contributions

3. In section 7(5) of the Act (exception from Class 2 liability) for “£675” there shall be substituted “£775”.

Rate of Class 3 contributions

4. In section 8(1) of the Act (Class 3 contributions) for “£1·90” there shall be substituted “£2·10”.

(a) See Social Security Act 1975, section 166(5). (b) 1975 c. 14. (c) 1889 c. 63.

Upper limit for Class 4 contributions

5. In sections 9(2) and 10(1) of the Act (Class 4 contributions recoverable under Tax Acts and regulations) for "£3,600" there shall in each of those sections be substituted "£4,900".

Barbara Castle,

Secretary of State for Social Services.

7th November 1975.

Donald R. Coleman,

J. Dormand,

Two of the Lords Commissioners
of Her Majesty's Treasury.

12th November 1975.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order substitutes increased rates of Class 1 and 3 contributions payable under the Social Security Act 1975. The Order also raises the lower and upper earnings limits for Class 1 contributions, the upper limit for Class 4 contributions and the amount of earnings below which an earner may be exempted from liability for Class 2 contributions.

In accordance with sections 121(1) and 123(2) of the Social Security Act 1975, a copy of a report by the Government Actuary (Cmnd. 6275) giving his opinion on the likely effect on the National Insurance Fund of the making of this Order was laid before Parliament with the draft of it.

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