

1990 No. 1779

SOCIAL SECURITY

**The Social Security (Contributions) Amendment (No. 3)
Regulations 1990**

<i>Made - - - -</i>	<i>29th August 1990</i>
<i>Laid before Parliament</i>	<i>6th September 1990</i>
<i>Coming into force</i>	<i>27th September 1990</i>

The Secretary of State for Social Security, in exercise of the powers conferred by paragraph 6(1) (gh) and (gj) of Schedule 1 to, and Schedule 20 to, the Social Security Act 1975(a) and of all other powers enabling him in that behalf by this instrument which is made before the end of a period of 6 months from the commencement of the enactment under which it is made, hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Contributions) Amendment (No. 3) Regulations 1990, and shall come into force on 27th September 1990.

(2) In these Regulations, “the principal Regulations” means the Social Security (Contributions) Regulations 1979(b).

Insertion of regulation 26A in the principal Regulations

2. After regulation 26 of the principal Regulations there shall be inserted the following regulation:

“Return of Class 2 contributions paid by low earners

26A.—(1) A self-employed earner who desires repayment of Class 2 contributions in respect of a period which commenced not earlier than 6th April 1988 and which consists of, or falls within, a year for which his earnings from employment as a self-employed earner were, or were such as to be treated by regulation 25 of these Regulations as being, less than the amount specified in section 7(5) of the Act (exception from liability for Class 2 contributions on account of small earnings) for that year shall make an application in writing for that purpose to the Secretary of State and shall supply to him evidence as to his earnings in respect of the period for which repayment of Class 2 contributions is desired.

(2) Subject to paragraph (3) of this regulation, any such application in respect of a year or a period falling within a year shall be made not earlier than the 6th April and not later than the 31st December immediately following the end of that year.

(3) An application in respect of the year 1988/89 or the year 1989/90 or periods falling within those years shall be made on or before 30th June 1991.

(a) 1975 c.14. Paragraph 6(1) was amended by paragraph 9 of Schedule 6 to the Social Security Act 1990 (c.27). Schedule 20 is cited because of the meanings ascribed to the words “Prescribed” and “Regulations”.
(b) S.I. 1979/591.

(4) Where an application has been made under this regulation the Secretary of State shall, if he is satisfied that the applicant's earnings were, or were such as to be treated by regulation 25 of these Regulations as being, less than the amount specified in section 7(5) of the Act, make a repayment, subject to the provisions of paragraph (6) of this regulation, of the Class 2 contributions which fall to be repaid.

(5) Where the Secretary of State makes any such repayment of Class 2 contributions the applicant shall be excepted from liability for the contributions repaid to him to the extent that he is not already excepted under regulation 24 of these Regulations and the Secretary of State shall issue a certificate to him which shall certify the period of exception from liability.

(6) Where there has been paid to the applicant or any other person an amount by way of any of the contributory benefits specified in section 12(1) of the Act which would not have been paid had any of the contributions whose repayment has been applied for under paragraphs (1) to (3) of this regulation not been paid in the first instance, the Secretary of State shall repay that part of the contributions remaining after the deduction of that amount paid by way of such benefits."

Signed by authority of the Secretary of State for Social Security.

29th August 1990

Henley
Parliamentary Under-Secretary of State,
Department of Social Security

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations further amend the Social Security (Contributions) Regulations 1979 ("the principal Regulations"). Regulation 2 inserts a new regulation 26A into the principal Regulations, which provides for the return of Class 2 contributions paid by self-employed earners whose earnings are less than the small earnings exception amount specified in section 7(5) of the Social Security Act 1975 (c.14).

Paragraph (1) of regulation 26A provides that a self-employed earner who desires repayment of Class 2 contributions in respect of a tax year, or a period falling within a tax year, shall make a written application to the Secretary of State and supply evidence as to his earnings.

Paragraphs (2) and (3) specify the time-limits for an application for repayment in respect of a tax year or a period falling within a tax year: it is to be made between the 6th April and the 31st December immediately following the end of that tax year. In respect of the tax years 1988/89 and 1989/90 the application is to be made on or before 30th June 1991.

Paragraph (4) makes provision for the Secretary of State to make a repayment of the appropriate amount.

Paragraph (5) provides for exception from liability where Class 2 contributions have been repaid, and the issue of a certificate by the Secretary of State specifying the period of exception.

Paragraph (6) provides for the deduction from the amount of contributions repayable of any amount paid by way of contributory benefit which would not have been paid had any of the contributions of which repayment is desired not been paid in the first instance.

These Regulations are made before the expiry of 6 months from the commencement of the enactment under which they are made; they are accordingly exempt by section 61(5) of the Social Security Act 1986 (c.50), from reference to the Social Security Advisory Committee and have not been so referred.