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 S T A T U T O R Y I N S T R U M E N T S
 

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**1999 No. 2736**
**SOCIAL SECURITY**
**The Social Security (Contributions) (Amendment No. 5)  
Regulations 1999**

<i>Made</i> - - - -	<i>2nd October 1999</i>
<i>Laid before Parliament</i>	<i>4th October 1999</i>
<i>Coming into force</i>	<i>25th October 1999</i>

The Treasury, with the concurrence of the Secretary of State for Social Security in so far as required(), in exercise of the powers conferred by sections 3(2) and (3), 122(1)() and 175(1) to (3)(), of the Social Security Contributions and Benefits Act 1992 and now vested in them(), and of all other powers enabling them in that behalf, hereby make the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Social Security (Contributions) (Amendment No. 5) Regulations 1999 and shall come into force on 25th October 1999.

**Interpretation**

2. In these Regulations “the principal Regulations” means the Social Security (Contributions) Regulations 1979() and “regulation” means a regulation of the principal Regulations.

**Amendment of regulations 19 and 25 of the principal Regulations**

3.—(1) Regulation 19 (payments to be disregarded) shall be amended as follows.

(2) In paragraph (1) after sub-paragraph (zr)() there shall be added the following sub-paragraph—

“(zs) a payment to a person, as a participant in the scheme arranged under section 2(2) of the Employment and Training Act 1973 (functions of the Secretary of State)() and known as “New Deal 50plus”, of an employment credit, or a training grant, under that scheme.”

4.—(1) Regulation 25 (earnings for the purposes of certificates of exception) shall be amended as follows.

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- (a) See section 3(2) of the Social Security Contributions and Benefits Act 1992 (c. 4) amended by paragraph 3 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2) (“the Transfer Act”).
  - (b) Section 122(1) is cited because of the meaning ascribed to the word “prescribe”.
  - (c) Section 175 was amended by paragraph 29 of Schedule 3 to the Transfer Act.
  - (d) See section 2 of the Transfer Act.
  - (e) S.I. 1979/591; relevant amending instruments are S.I. 1994/1553 and S.I. 1999/568.
  - (f) Sub-paragraph (zr) was added by regulation 9(2) of S.I. 1999/568.
  - (g) 1973 c. 50. Section 2(2) was substituted by section 25(1) of the Employment Act 1988 (c. 19).

(2) In paragraph (2)(a) for sub-paragraph (b) there shall be substituted the following sub-paragraph—

“(b) in calculating those net earnings—

(i) where the applicant also has earnings from employed earner’s employment in the same year which are shown in the accounts of his business as a receipt of that business, or

(ii) where the applicant, as a participant in the scheme arranged under section 2(2) of the Employment and Training Act 1973 (functions of the Secretary of State) and known as “New Deal 50plus”, has received payments of an employment credit, or a training grant, under that scheme,

those earnings or payments shall be disregarded.”

*Gordon Brown*

*Jim Dowd*

2nd October 1999

Two of the Lords Commissioners of Her Majesty’s Treasury

*Alistair Darling*

2nd October 1999

The Secretary of State for Social Security hereby concurs

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### EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Social Security (Contributions) Regulations 1979, S.I. 1979/591 (“the principal Regulations”).

Regulation 1 provides for citation and commencement, and regulation 2 for interpretation.

Regulation 3 amends regulation 19 of the principal Regulations (payments to be disregarded) by adding a new sub-paragraph (zs). The new sub-paragraph relates to payments under the New Deal 50plus scheme which are to be disregarded for the purposes of earnings-related National Insurance contributions.

Regulation 4 amends regulation 25 of the principal Regulations (earnings for the purposes of certificates of exception) by substituting sub-paragraph (b) in paragraph (2). The effect of the substitution is that payments under the New Deal 50plus scheme are to be disregarded in computing a self-employed person’s net earnings for the purposes of the exception from liability to pay Class 2 contributions on account of small earnings (see section 11(4) of the Social Security Contributions and Benefits Act 1992 (c. 4)).

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(a) Paragraph (2) was substituted by regulation 2 of S.I. 1994/1553.

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