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STATUTORY INSTRUMENTS

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**2007 No. 1175**

**SOCIAL SECURITY  
TERMS AND CONDITIONS OF EMPLOYMENT**

**The Social Security (Contributions)  
(Amendment No. 3) Regulations 2007**

<i>Made</i>	- - - -	<i>4th April 2007</i>
<i>Laid before Parliament</i>		<i>5th April 2007</i>
<i>Coming into force</i>	- -	<i>6th April 2007</i>

The Commissioners for Her Majesty's Revenue and Customs make the following Regulations in exercise of the powers conferred by section 175(4) of, and paragraph 3B(11) of Schedule 1 to, the Social Security Contributions and Benefits Act 1992(1), and by section 171(4) of, and paragraph 3B(11) of Schedule 1 to, the Social Security Contributions and Benefits (Northern Ireland) Act 1992(2), and in each case now exercisable by them(3), :

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the Social Security (Contributions) (Amendment No. 3) Regulations 2007 and shall come into force on 6th April 2006.

(2) In these Regulations “the principal Regulations” means the Social Security (Contributions) Regulations 2001(4).

**Amendment of the principal Regulations**

2.—(1) The principal Regulations shall be amended as follows.

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- (1) 1992 c. 4. Section 175(4) was amended by paragraph 29(4) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2). Paragraph 3B was inserted by section 77(2) of the [Child Support, Pensions and Social Security Act 2000 \(c. 19: “the 2000 Act”\)](#) and amended by section 3(3) of the [National Insurance Contributions and Statutory Payments Act 2004 \(c. 3: “the 2004 Act”\)](#) and section 5 of the National Insurance Contributions Act 2006 (c. 10).
- (2) 1992 c. 7. Section 171(4) was extended by virtue of the amendment contained in paragraph 28(3) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 ([S.I. 1999/671](#)). Paragraph 3B was inserted by section 80(2) of the 2000 Act, and amended by section 4(3) of the 2004 Act and section 6 of the 2006 Act.
- (3) The functions of the Commissioners of Inland Revenue were transferred to the Commissioners for Her Majesty's Revenue and Customs by section 5(2) of the Commissioners for Revenue and Customs Act 2005 (c. 11). Section 50 of that Act provides that, in so far as it is appropriate in consequence of section 5, a reference, however expressed, to the Commissioners of Inland Revenue is to be read as a reference to the Commissioners for Her Majesty's Revenue and Customs.
- (4) [S.I. 2001/1004](#): the relevant amendments are those made by regulation 8(b) of [S.I. 2004/2096](#).

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**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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(2) In paragraph 1(1) of Schedule 5 (elections about securities options, restricted securities and convertible securities) after paragraph (d) insert—

“(dd) a statement that it does not apply in relation to any liability, or any part of any liability, arising as a result of regulations being given retrospective effect by virtue of section 4B(2) of either the Social Security Contributions and Benefits Act 1992 or the Social Security Contributions and Benefits (Northern Ireland) Act 1992;”.

(3) The amendment made by paragraph (2) does not affect the continuing validity of any election made prior to the coming into force of these Regulations, but subject to section 5(4) of the National Insurance Contributions Act 2006.

*Mike Eland*  
*Dave Hartnett*

Two of the Commissioners for Her Majesty's  
Revenue and Customs

4th April 2007

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## EXPLANATORY NOTE

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

These Regulations amend the Social Security (Contributions) Regulations 2001 (S.I. 2001/1004: “the 2001 Regulations”) in consequence of the enactment of the [National Insurance Contributions Act 2006 \(c. 10: “the 2006 Act”\)](#). That Act provides, for the first time, for the making of regulations with retrospective effect in relation to national insurance contributions. Such regulations may be made by virtue of section 4B(2) of each of the Social Security Contributions and Benefits Act 1992 (c. 4) and the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (“the 1992 Acts”). These sections were inserted by sections 1 and 2 respectively of the 2006 Act.

Schedule 5 to the 2001 Regulations prescribes the form and manner of making an election in relation to national insurance contributions arising on securities options, restricted securities and convertible securities. Paragraph 3B(7B) of Schedule 1 to each of the 1992 Acts (inserted by sections 5(3) and 6(3) of the 2006 Act) preclude an election under those paragraphs having effect in relation to contributions, or parts of contributions, liability to which arises as a result of regulations being given retrospective effect. Schedule 5 to the 2001 Regulations is amended so that any new elections to transfer liability for secondary Class 1 contributions must contain a statement to that effect.

Regulation 1 provides for citation, commencement and interpretation.

Regulation 2 makes the amendment to Schedule 5 to the 2001 Regulations, and contains a saving for the continuing effect of elections made before the coming into force of these Regulations.

These Regulations do not impose new costs on business.