
STATUTORY INSTRUMENTS

2007 No. 785

The National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2007

PART 4

Modification of Regulations under Part 7

Modification of the Tax Avoidance Schemes (Prescribed Description of Arrangements) Regulations 2006

16.—(1) The Tax Avoidance Schemes (Prescribed Description of Arrangements) Regulations 2006(1), apply to notifiable contribution arrangements and notifiable contribution proposals with the following modifications and any reference in those Regulations to sections 306 to 313 shall be construed as a reference to the corresponding provision of these Regulations (see regulation 4(2)).

(2) In regulation 1 (citation, commencement and effect) omit paragraphs (2) and (3).

(3) In regulation 5 (prescribed description of arrangements)—

(a) in paragraph (1) for “income tax, corporation tax and capital gains tax” substitute “national insurance contributions”, and

(b) in paragraph (2) omit sub-paragraphs (f) and (g).

(4) In Part 3—

(a) for “tax advantage” wherever it occurs substitute “advantage”; and

(b) for “a tax advantage” wherever it occurs substitute “an advantage”.

(5) In regulation 10 (Description 5: standardised tax product), in the heading and paragraphs (1) and (3) for “tax product” substitute “national insurance contributions product”.

(6) Omit regulations 12 to 17.

The Tax Avoidance Schemes (Information) Regulations 2004

17.—(1) The Tax Avoidance Schemes (Information) Regulations 2004(2)(“the Information Regulations”) apply to notifiable contribution arrangements and notifiable contribution proposals with the following modifications and any reference in those Regulations to sections 306 to 313 shall be construed as a reference to the corresponding provision of these Regulations (see regulation 4(2)).

(2) Omit regulation 1(2).

(3) In regulation 2(3)(interpretation)—

(a) omit the definitions of “the SDLT Arrangements Regulations”(4) and “corporation tax”;

(b) insert the following definition immediately before the definition of “employment”—

(1) S.I. 2006/1543.

(2) S.I. 2004/1864. These Regulations were amended by S.I. 2004/2613, 2005/1869, 2006/1544.

(3) Regulation 2 was itself amended by regulations 2 and 3 of S.I. 2005/1869.

(4) This definition was inserted by regulation 3 of S.I. 2005/1869.

- ““contributions” means national insurance contributions;”;
- (c) for the definitions of “notifiable arrangements” and “notifiable proposal” substitute—
- ““notifiable contribution arrangements” has the meaning given by section 132A(3) of the Social Security Administration Act 1992;
- “notifiable contribution proposal” has the meaning given by section 132A(3) of the Social Security Administration Act 1992;”;
- (d) omit the definition of “the prescribed taxes”.
- (4) In regulation 3 (prescribed information in respect of notifiable proposals and arrangements) wherever the words appear—
- (a) for “any of the prescribed taxes” substitute “the contributions”;
- (b) for “notifiable arrangements” substitute “notifiable contribution arrangements”;
- (c) for “notifiable proposal” substitute “notifiable contribution proposal”;
- (d) for “tax advantage” substitute “advantage”; and
- (e) omit “or the SDLT Arrangement Regulations”(5)
- (5) In regulation 4 (time for providing information under section 308, 309 or 310)—
- (a) in paragraphs (4), (5) and (5A) for “notifiable arrangements” substitute “notifiable contribution arrangements”;
- (b) in paragraph (5) for “paragraphs (5ZA) and (5A) substitute “paragraph (5A)”;
- (c) omit paragraphs (5ZA), (7) and (8).
- (6) Omit regulation 5 (statutory clearances).
- (7) For regulation 8 (prescribed information under section 313: timing and manner of delivery) substitute—

“Prescribed information under regulation 12 of the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2007

8.—(1) For the purposes of regulation 12 of the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2007 (duty of parties to notifiable contribution arrangements to notify the Commissioners of number, etc.)—

- (a) the prescribed information is—
- (i) the reference number allocated by the Commissioners under regulation 12 to the notifiable contribution arrangements or notifiable contribution proposals;
- (ii) the earnings period in which the person making the notification expects an advantage to be obtained;
- (iii) the employer’s name, address and Unique Taxpayer Reference (UTR); and
- (b) the prescribed time at which a person who is a party to notifiable contribution arrangements must provide the Commissioners with information under that regulation is any time before the date specified in paragraph 22(1) of Schedule 4 to the Social Security (Contributions) Regulations 2001(6).
- (2) In the case of a person who is the employer of an employee, by reason of whose employment an advantage is expected to arise to any person in respect of national insurance contributions as a result of notifiable contribution arrangements, the prescribed information

(5) These references were inserted by regulation 4 of S.I. 2005/1869.

(6) S.I. 2001/1004. Paragraph 22 has been amended: the relevant amendment is that made by regulation 32(12)(a) of S.I. 2004/770.

shall be notified to the Commissioners on a return in such form as they may specify by the time prescribed in paragraph (1)(b).”.

- (8) In regulation 10 (electronic delivery of information)—
- (a) in paragraph (2)—
- (i) for sub-paragraph (a) substitute—
- “(a) it is authorised by virtue of Part 7A of the Social Security (Contributions) Regulations 2001(7); and ”;
- (ii) in paragraph (b) for “section” substitute “Part”; and
- (b) in paragraph (3)(a) for “regulations under section 132 of the Finance Act 1999” substitute “Part 7A of the Social Security (Contributions Regulations) 1991”.

The Tax Avoidance Schemes (Promoters and Prescribed Circumstances) Regulations 2004

18.—(1) The Tax Avoidance Schemes (Promoters and Prescribed Circumstances) Regulations 2004(8) apply to notifiable contribution arrangements and notifiable contribution proposals as they apply to income tax with the following modifications and any reference in those Regulations to sections 306 to 313 shall be construed as a reference to the corresponding provision of these Regulations (see regulation 4(2)).

- (2) In regulation 1 (citation, commencement and interpretation) for paragraph (2) substitute—
- “(2) In these Regulations—
- “notifiable contribution arrangements” and “notifiable contribution proposal” have the meanings given by section 132A(3) of the Social Security Administration Act 1992.”.
- (3) In regulation 4 (persons not to be treated as promoters under section 307(1)(a)(i) or (b)(i))—
- (a) for “tax advice” wherever it occurs substitute “contribution advice”; and
- (b) for “tax advantage” wherever it occurs substitute “advantage”.
- (4) In regulation 6 (legal professional privilege) for “section 314” substitute “section 132A(6) of the Social Security Administration Act 1992”.

(7) Part 7A was inserted by regulations 2 and 23 of the Social Security (Contributions, Categorisation of Earners and Intermediaries)(Amendment) Regulations 2004 (S.I. 2004/770).

(8) S.I. 2004/1865 as amended by regulation 2 of S.I. 2004/2613.