

2008 No. 607

SOCIAL SECURITY

**The Social Security (Contributions) (Amendment No. 2)
Regulations 2008**

Made - - - - - *6th March 2008*

Laid before Parliament *6th March 2008*

Coming into force in accordance with regulation 1

The Treasury make these Regulations in exercise of the powers conferred by sections 3(2) and (3), 12(6), 13(7) and 175(1A) and (5) of the Social Security Contributions and Benefits Act 1992(a) and sections 3(2) and (3), 12(6), 13(7) and 171(5) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(b) and now exercisable by them.

The Secretary of State and the Department for Social Development concur in the making of these Regulations.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Contributions) (Amendment No. 2) Regulations 2008.

(2) In these Regulations “SSCR” means the Social Security (Contributions) Regulations 2001(c).

(3) These Regulations shall come into force—

- (a) for the purposes of the insertion of paragraph 12B in Part 8 of Schedule 3 to SSCR on 1st April 2008; and
- (b) for all other purposes on 6th April 2008.

(a) 1992 c. 4. Section 3 has been amended: the relevant amendment is that made by paragraph 3 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2: “the Transfer Act”). Sections 12 and 13 were respectively amended by paragraphs 13 and 15 of Schedule 3 to the Transfer Act. Section 175 has been amended: the relevant amendments are those made by paragraph 29 of Schedule 3 to the Transfer Act.

(b) 1992 c. 7 (“the 1992 Act”). Section 3 has been amended: the relevant amendment is that made by paragraph 4 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671: “the Transfer Order”). Sections 12 and 13 were amended by paragraphs 13 and 15 of Schedule 3 to the Transfer Order. Section 171 has been amended. The relevant amendment is that made by paragraph 5 of Schedule 4 to the Tax Credits Act 2002 (c. 21). The functions of the Department of Health and Social Services for Northern Ireland under the 1992 Act were transferred to the Department for Social Development by Article 8(b) of, and Part 2 of Schedule 6 to, the Departments (Transfer and Assignment of Functions) Order (Northern Ireland) 1999 (S.R. 1999 No. 481).

(c) S.I. 2001/1004. Relevant amending instruments are S.I. 2002/307, 2004/770, 2005/778 and 3130 and 2006/2924. Regulation 156(3) contains a rule of construction which provides that in the application of these Regulations to Northern Ireland, a reference to an enactment applying only in Great Britain is to be construed as a reference to the corresponding enactment having effect there.

Amendment of the Social Security (Contributions) Regulations 2001

2. SSCR shall be amended as follows.

3. After regulation 65B(a) insert—

“Late payment of voluntary Class 2 and 3 contributions for tax year 2005-06

65C.—(1) Paragraph (2) applies where a person who will reach pensionable age on or after 6th April 2010—

- (a) is entitled, but not liable, to pay a Class 2 or Class 3 contribution in respect of the tax year 2005-06; and
- (b) pays the contribution after the end of that year, but not later than 5th April 2012.

(2) Notwithstanding sections 12(3) and 13(6) of the Act, the amount of the contribution shall be calculated by reference to the weekly rate which would have been payable if it had been paid during the tax year 2005-06.”.

4.—(1) Amend Schedule 3 (sums disregarded in the computation of employed earners’ earnings) as follows.

(2) In Part 5, in paragraph 1(2)—

- (a) at the end of paragraph (a) omit “or”; and
- (b) after paragraph (a) insert—
“aa) by virtue of paragraph 7E of Part 8 (van fuel); or”.

(3) In Part 8 (sums by way of travelling, relocation and other expenses and allowances of the employment)—

- (a) after paragraph 7D(b) insert—

“Van fuel

7E. A payment by way of the provision of van fuel which is chargeable to income tax under section 160 of ITEPA 2003.”; and

- (b) after paragraph 12A (HM Forces’ operational allowance)(c) insert—

“HM Forces’ Council Tax Relief

12B. A payment designated by the Secretary of State for Defence as Council Tax Relief and made by the Secretary of State for Defence to a member of Her Majesty’s forces.”.

(4) In Part 10 (miscellaneous payments)—

- (a) in paragraph 1(d) for “2 to 17” substitute “2 to 19”; and
- (b) at the end add—

“Payments made from the In-Work Emergency Discretion Fund

18. Any In-Work Emergency Discretion Fund payment made to a person pursuant to arrangements made by the Secretary of State under section 2 of the Employment and Training Act 1973(e).

This paragraph does not apply in Northern Ireland.

(a) Regulation 65B was inserted by regulation 7 of S.I. 2005/778.
(b) Paragraph 7D was inserted by regulation 7 of S.I. 2002/307.
(c) Paragraph 12A was inserted by regulation 2 of S.I. 2006/2924.
(d) Paragraph 1 was last amended by S.I. 2003/2085.
(e) 1973 c. 50.

Payments made from the In-Work Emergency Fund

19. Any In-Work Emergency Fund payment made to a person pursuant to arrangements made by the Department of Economic Development under section 1 of the Employment and Training Act (Northern Ireland) 1950(a).

This paragraph applies only in Northern Ireland.”.

Steve McCabe

Dave Watts

6th March 2008

Two of the Lords Commissioners of Her Majesty’s Treasury

The Secretary of State concurs.

Signed by authority of the Secretary of State for Work and Pensions

Mike O’Brien

Minister of State

4th March 2008

Department for Work and Pensions

The Department for Social Development concurs.

Sealed with the Official Seal of the Department for Social Development on 4th March 2008



John O'Neill

Senior Officer of the Department for Social Development

(a) 1920 c. 29 (N.I.).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Contributions) Regulations 2001 (S.I. 2001/1004; “SSCR”).

Regulation 1 provides that these Regulations come into force on 6th April 2008, except that the insertion of paragraph 12B in Part 8 of Schedule 3 to SSCR (see regulation 4(3)(b)) comes into force on 1st April 2008.

Regulation 2 introduces the amendments to SSCR.

Regulation 3 inserts new regulation 65C in SSCR. This provides that voluntary Class 2 and 3 contributions for the tax year 2005-06 which are paid late shall be computed by reference to the weekly rate which would have applied if the contribution had been paid during that tax year, rather than what is usually a higher weekly rate applicable when they are paid. The regulation will apply to contributors who will reach pensionable age on or after 6th April 2010 and to contributions made no later than 5th April 2012.

Regulation 4 amends Schedule 3 to SSCR to provide disregards, in the computation of an earner’s liability to Class 1 National Insurance contributions, for —

fuel for a van (including provision by non-cash voucher) which is provided to an employee in connection with their employment and which is chargeable to income tax under section 160 of the Income Tax Earnings and Pensions Act 2003;

Council Tax Relief payments made by the Secretary of State for Defence to members of Her Majesty’s forces; and

In-Work Emergency Discretion Fund payments in Great Britain and In-Work Emergency Fund payments in Northern Ireland.

An impact assessment has not been prepared in respect of this instrument as no impact on the private or voluntary sectors is foreseen.

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