
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Contributions) Regulations 2001 (“the principal Regulations”).

Regulation 3 amends regulation 10 of the principal Regulations to specify the levels of the lower earnings limit for primary Class 1 contributions and the primary and secondary thresholds for primary and secondary Class 1 contributions for the tax year beginning 6th April 2012. The level of the upper earnings limit for the tax year 2012-2013 will remain at the same level as for the tax year 2011-2012 and therefore there is no reference to the level of the upper earnings limit on the face of the instrument; however, by amending “2011” to “2012”, regulation 3 also specifies the level of the upper earnings limit for primary Class 1 contributions for the tax year beginning 6th April 2012.

Regulation 4 amends regulation 11 of the principal Regulations so as to provide for equivalents of the primary threshold and secondary threshold where the earnings period is a month or a year.

A Tax Information and Impact Note covering this instrument was published on 23 March 2011 alongside Budget 2011. This has been updated as a result of changes to the impacts as a result of this instrument and is available on the HMRC website at <http://www.hmrc.gov.uk/thelibrary/tiins.htm>.