
STATUTORY INSTRUMENTS

2014 No. 3240

SOCIAL SECURITY

**The Social Security Class 3A Contributions
(Units of Additional Pension) Regulations 2014**

*Made - - - - 8th December 2014
Coming into force in accordance with regulation 1(2)
and (3)*

These Regulations are made by the Treasury and the Secretary of State.

The powers exercised by the Treasury are those conferred by section 14A(3) (the Treasury having consulted the Government Actuary) and 14A(6) of, and paragraph 8(1)(q) of Schedule 1 to, the Social Security Contributions and Benefits Act 1992(1) and section 14A(3) (the Treasury having consulted the Government Actuary) and 14A(6) of, and paragraph 8(1)(q) of Schedule 1 to, the Social Security Contributions and Benefits (Northern Ireland) Act 1992(2) and now exercisable by them.

The powers exercised by the Secretary of State are those conferred by section 45(2A) of the Social Security Contributions and Benefits Act 1992(3). Regulation 4 of this instrument is made before the end of the period of six months beginning with the coming into force of the relevant amendments made to the Social Security Contributions and Benefits Act 1992.

Citation and commencement

1.—(1) These Regulations may be cited as the Social Security Class 3A Contributions (Units of Additional Pension) Regulations 2014.

(2) These Regulations come into force in Great Britain on 12th October 2015.

(3) Regulations 1, 2 and 3 come into force in Northern Ireland on the same day as the coming into force for all purposes of paragraph 17 of Schedule 15 to the Pensions Act 2014(4).

-
- (1) 1992 c. 4. Section 14A was inserted by paragraph 3 of Schedule 15 to the Pensions Act 2014 (c. 19). The power to make regulations under paragraph 8(1) was transferred to the appropriate authority by paragraph 39(2) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2). The appropriate authority is defined in paragraph 8(1A) (which was inserted by paragraph 39(3) of Schedule 3 to that Act) and is the Treasury for the purposes of these Regulations.
- (2) 1992 c. 7. Section 14A was inserted by paragraph 17 of Schedule 15 to the Pensions Act 2014. The power to make regulations under paragraph 8(1) was transferred to the appropriate authority by paragraph 38(2) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671). The appropriate authority is defined in paragraph 8(1A) (which was also inserted by paragraph 38 of Schedule 3 to that Order) and is the Treasury for the purposes of these Regulations.
- (3) Section 45(2A) was inserted by paragraph 7(4) of Schedule 15 to the Pensions Act 2014.
- (4) 2014 c. 19.

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

Determination of amount of a Class 3A contribution needed to obtain a unit of additional pension

2.—(1) The amount of a Class 3A contribution needed by an eligible person to obtain a unit of additional pension is determined by the Table, subject to paragraph (2).

<i>Age of person on the date of payment</i>	<i>Amount of Class 3A contribution needed to obtain a unit of additional pension</i>
62 (women only)	£956
63 (women only)	£934
64 (women only)	£913
65	£890
66	£871
67	£847
68	£827
69	£801
70	£779
71	£761
72	£738
73	£719
74	£694
75	£674
76	£646
77	£625
78	£596
79	£574
80	£544
81	£514
82	£484
83	£454
84	£424
85	£394
86	£366
87	£339
88	£314
89	£291
90	£270

<i>Age of person on the date of payment</i>	<i>Amount of Class 3A contribution needed to obtain a unit of additional pension</i>
91	£251
92	£232
93	£216
94	£200
95	£185
96	£172
97	£159
98	£148
99	£137
100 and over	£127

(2) If an eligible person(5) pays a Class 3A contribution before reaching pensionable age(6) the amount of contribution needed to obtain a unit of additional pension is the amount that that person would have needed to pay if on the date of payment the person had reached pensionable age.

(3) The date of payment for a Class 3A contribution is the date the contribution is received by Her Majesty's Revenue and Customs.

Maximum number of units of additional pension

3. The maximum number of units of additional pension that a person may obtain is 25.

Specified amount for each unit of additional pension

4. The specified amount for the purposes of section 45(1)(b) and (2)(e) of the Social Security Contributions and Benefits Act 1992 (the additional pension in a category A retirement pension) is £1.

8th December 2014

4th December 2014

Mark Lancaster
Gavin Barwell
Two of the Lords Commissioners of Her
Majesty's Treasury
Steve Webb
Minister of State
Department for Work and Pensions

(5) Eligible person is defined as a person who satisfies section 14A(2)(a) or (b) of the Social Security Contributions and Benefits Act 1992 or the Social Security Contributions and Benefits (Northern Ireland) Act 1992. Paragraphs 4 and 18 of Schedule 15 to the Pensions Act 2014 provide that section 14A has effect as if the reference to entitlement in that section includes prospective entitlement.

(6) Pensionable age is defined in section 122(1) of the Social Security Contributions and Benefits Act 1992, substituted by paragraph 13(a) of Schedule 4 to the Pensions Act 1995 (c. 26) and section 133(1) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, substituted by paragraph 4 of Schedule 2 to the State Pension Credit Act (Northern Ireland) 2002 (c. 14).

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

EXPLANATORY NOTE

(This note is not part of the Regulations)

Paragraph 3 of Schedule 15 to the Pensions Act 2014 (c. 19) inserted section 14A into the Social Security Contributions and Benefits Act 1992 (“the Act”) (c. 4). Paragraph 17 of Schedule 15 to the Pensions Act 2014 inserted section 14A into the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (“the Northern Ireland Act”) (c.7). Section 14A of both the Act and the Northern Ireland Act gives an eligible person the right to pay a Class 3A national insurance contribution to obtain a unit of additional state pension.

Regulation 1 provides that these Regulations come into force on 12th October 2015 in Great Britain. In Northern Ireland regulations 1, 2 and 3 come into force on the same day as paragraph 17 of Schedule 15 to the Pensions Act 2014 is brought into force for all purposes by an appointed day order.

Regulation 2 determines the amount of a Class 3A contribution needed to obtain a unit of additional pension. This is by reference to the age of the person who is paying the contribution. Where a person has not reached state pension age on the date of payment but will do so before 6 April 2016 (when Category A, Category B and Category D retirement pensions will be replaced) the amount of contribution needed to obtain a unit of additional pension is the amount that would be needed if the person had reached pensionable age.

Regulation 3 specifies that the maximum number of units of additional pension that a person can obtain is 25.

Regulation 4 specifies the amount a person will receive in return for each unit of additional pension. This regulation only applies to Great Britain.

A Tax Information and Impact Note will be published on the HMRC website at <http://www.hmrc.gov.uk/thelibrary/tiins.htm>.