
EXPLANATORY NOTE

(This note is not part of the Regulations)

The Social Security (Categorisation of Earners) Regulations 1978 (“the 1978 Regulations”) make provision, amongst other things, for the prescription of secondary contributors for certain categories of earners including earners employed by a foreign employer, entertainers, and those supplied via employment intermediaries (agency workers).

The Social Security (Categorisation of Earners) (Northern Ireland) Regulations 1978 (“the 1978 NI Regulations”) make provision, amongst other things, for the prescription of secondary contributors for certain categories of earners including earners employed by a foreign employer, entertainers, and those supplied via employment intermediaries (agency workers).

These Regulations amend the 1978 Regulations and the 1978 NI Regulations to make provision in relation to the secondary contributor for employments via employment intermediaries (in cases where the intermediary is resident or present in Great Britain or Northern Ireland, and where it is not) and to ensure entertainers are no longer treated as employed.

Regulation 2 amends regulation 1(2) of the 1978 Regulations to insert relevant definitions and to omit the definition of entertainer. It also amends Schedule 1 and Schedule 3 to prescribe certain types of employment via employment intermediaries as employed earner’s employment, to prescribe the relevant secondary contributors in relation to those employees for the purposes of Class 1 national insurance contributions, to amend the host employer rule in order to assist enforcement and ensure a clear hierarchy between that and the intermediary rules, and to ensure entertainers are no longer treated as employees.

Regulation 3 amends regulation 1(2) of the 1978 NI Regulations to insert relevant definitions and to omit the definition of entertainer. It also amends Schedule 1 and Schedule 3 to prescribe certain types of employment via employment intermediaries as employed earner’s employment, to prescribe the relevant secondary contributors in relation to those employees for the purposes of Class 1 national insurance contributions, to amend the host employer rule in order to assist enforcement and ensure a clear hierarchy between that and the intermediary rules, and to ensure entertainers are no longer treated as employees.

Regulation 4 makes provision for the revocation of Regulations.

Agency Workers

A Tax Information and Impact Note covering this instrument was published on 10 December 2013 alongside the draft legislation and is available on the Gov.uk website at <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins#finance-bill-2014-10-december-2013>. An updated Tax Information and Impact Note will be published on that website.

Entertainers

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