

2015 No. 543

SOCIAL SECURITY

**The Social Security (Contributions) (Amendment) Regulations
2015**

<i>Made</i> - - - -	<i>5th March 2015</i>
<i>Laid before Parliament</i>	<i>6th March 2015</i>
<i>Coming into force</i> - -	<i>6th April 2015</i>

The Treasury make the following Regulations in exercise of the powers conferred by sections 3(2) and (3) and 175(3) of the Social Security Contributions and Benefits Act 1992(a) and sections 3(2) and (3) and 171(3) and (10) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(b).

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

Citation and commencement

1. These Regulations may be cited as the Social Security (Contributions) (Amendment) Regulations 2015 and come into force on 6th April 2015.

Amendment of the Social Security (Contributions) Regulations 2001

2. Part 6 of Schedule 3 to the Social Security (Contributions) Regulations 2001(c) is amended as follows.

3. In paragraph 1 for “paragraphs 2 to 11” substitute “this Part”.

4. After paragraph 11 insert—

“Independent advice in respect of conversions and transfers of pension scheme benefits

12. A payment or reimbursement to which no liability to income tax arises by virtue of section 308B of ITEPA 2003(d) (independent advice in respect of conversions and transfers of pension scheme benefits).”.

(a) 1992 c. 4; section 3(2) was amended by paragraph 3 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2).
(b) 1992 c. 7; section 3(2) was amended by paragraph 4 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Order 1999 (S.I. 1999/671) (“the Transfer Order”). Section 171(10) was substituted by paragraph 28(3) of Schedule 3 to the Transfer Order.
(c) S.I. 2001/1004, amended by S.I. 2006/576; there are other amending instruments but none is relevant.
(d) 2003 c. 1; section 308B was inserted by section 54 of the Pension Schemes Act 2015 (c. 8)

David Evennett
Gavin Barwell

5th March 2015

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

Steve Webb

Minister of State

4th March 2015

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 2015



Anne McCleary

4th March 2015

A senior officer of the Department for Social Development

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Contributions) Regulations 2001 (S.I. 2001/1004) (“the Contributions Regulations”). The Contributions Regulations set out how to calculate an individual’s earnings for the purpose of earnings-related National Insurance contributions. Schedule 3 provides for certain payments to be disregarded for these purposes.

Regulation 4 adds a new paragraph 12 to Part 6 of Schedule 3 to the Contributions Regulations, which provides that any payment which is exempt from income tax under section 308B of the Income Tax (Earnings and Pensions) Act 2003 (c. 1) will also be disregarded for these purposes. This means that an employer will not be liable to pay earnings-related National Insurance contributions in respect of payments for, or reimbursements of, the cost of advice about the conversion or transfer of a pension scheme which they are required to provide under the Pension Schemes Act 2015 (c. 8).

A Tax Information and Impact Note covering this instrument will be published on the website at <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>.

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