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STATUTORY INSTRUMENTS

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**2016 No. 63**

**SOCIAL SECURITY**

**The Employment Allowance (Increase  
of Maximum Amount) Regulations 2016**

*Approved by both Houses of Parliament*

<i>Made</i>	- - - -	<i>25th January 2016</i>
<i>Laid before Parliament</i>		<i>25th January 2016</i>
<i>Coming into force</i>	- -	<i>6th April 2016</i>

The Treasury makes the following Regulations in exercise of the power conferred by section 5(1)(a) of the National Insurance Contributions Act 2014<sup>(1)</sup>.

**Citation and commencement**

1. These Regulations may be cited as the Employment Allowance (Increase of Maximum Amount) Regulations 2016 and come into force on 6th April 2016.

**Amendment to the National Insurance Contributions Act 2014**

2. In section 1(2)(a) of the National Insurance Contributions Act 2014 (employment allowance for national insurance contributions), for “£2,000” substitute “£3,000”.

25th January 2016

*David Evennett*  
*George Hollingbery*  
Two of the Lords Commissioners of Her  
Majesty’s Treasury

**Status:** This is the original version (as it was originally made).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

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the National Insurance Contributions Act 2014 (c. 7) (“the Act”).

Persons who incur liabilities to pay secondary Class 1 National Insurance contributions during a tax year are entitled under section 1 of the Act to claim an allowance, known as the “employment allowance”, which they can deduct from their payments in respect of these liabilities. Regulation 2 amends section 1(2)(a) of the Act so as to increase the maximum amount of the employment allowance from £2,000 to £3,000 for the tax year 2016-17 and subsequent tax years.

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