

**Changes to legislation:** Social Security Contributions and Benefits Act 1992, Part III is up to date with all changes known to be in force on or before 21 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

## SCHEDULES

### [<sup>F1</sup>SCHEDULE 4A

#### [<sup>F1</sup>ADDITIONAL PENSION: ACCRUAL RATES FOR PURPOSES OF SECTION 45(2)(C)]

##### Textual Amendments

- F1** Sch. 4A inserted (8.1.2001 for specified purposes, 25.1.2001 for specified purposes, 6.4.2002 in so far as not already in force) by [Child Support, Pensions and Social Security Act 2000 \(c. 19\)](#), s. 86(1)(b)(2), [Sch. 4](#); [S.I. 2000/2950](#), art. 6; [S.I. 2001/153](#), art. 2(a)
- F1** Sch. 4A heading substituted (26.9.2007) by [Pensions Act 2007 \(c. 22\)](#), [ss. 10\(6\)](#), 30(3)

### PART III

#### CONTRACTED-OUT EMPLOYMENT ETC

##### *Introduction*

- 3 (1) This Part of this Schedule applies if the following condition is satisfied in relation to each tax week in the tax year concerned.
- (2) The condition is that any earnings paid to or for the benefit of the pensioner in the tax week in respect of employment were in respect of employment qualifying him for a pension provided by a salary related contracted-out scheme or by a money purchase contracted-out scheme or by an appropriate personal pension scheme.
- (3) If the condition is satisfied in relation to one or more tax weeks in the tax year concerned, Part II of this Schedule does not apply in relation to the year.

##### *The amount*

- 4 The amount for the year is amount C where—
- (a) amount C is equal to amount A minus amount B, and
  - (b) amounts A and B are calculated as follows.

##### *Amount A*

- 5 (1) Amount A is to be calculated as follows.
- (2) If there is an assumed surplus in the pensioner's earnings factor for the year—
- (a) calculate the part of the surplus for that year falling into each of the bands specified in the appropriate table below;
  - (b) multiply the amount of each such part in accordance with the last order under section 148 of the Administration Act to come into force before the end of the final relevant year;

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- (c) multiply each amount found under paragraph (b) above by the percentage specified in the appropriate table in relation to the appropriate band;
- (d) add together the amounts calculated under paragraph (c) above.
- (3) The appropriate table for persons attaining pensionable age after the end of the first appointed year but before 6th April 2009 is as follows—

Table 3

<i>Amount of surplus</i>		<i>Percentage</i>
Band 1.	Not exceeding LET	40 + 2N
Band 2.	Exceeding LET but not exceeding 3LET - 2QEF	10 + N/2
Band 3.	Exceeding 3LET - 2QEF	20 + N

- (4) The appropriate table for persons attaining pensionable age on or after 6th April 2009 [<sup>F2</sup>where the tax year concerned falls before 2010-11] is as follows—

Table 4

<i>Amount of surplus</i>		<i>Percentage</i>
Band 1.	Not exceeding LET	40
Band 2.	Exceeding LET but not exceeding 3LET - 2QEF	10
Band 3.	Exceeding 3LET - 2QEF	20

- [ The appropriate table for persons attaining pensionable age on or after 6th April 2009 <sup>F3</sup>(4A) where the tax year concerned is 2010-11 or a subsequent tax year is as follows—

Table 4A

<i>Amount of surplus</i>		<i>Percentage</i>
Band 1	Not exceeding LET	40
Band 2	Exceeding LET <sup>F4</sup>	10]
	...	

#### Textual Amendments

- F2** Words in Sch. 4A para. 5(4) inserted (26.9.2007) by [Pensions Act 2007 \(c. 22\)](#), **ss. 10(3)(a)**, 30(3)
- F3** Sch. 4A para. 5(4A) inserted (26.9.2007) by [Pensions Act 2007 \(c. 22\)](#), **ss. 10(3)(b)**, 30(3)
- F4** Words in Sch. 4A para. 5(4A) repealed (21.9.2008) by [National Insurance Contributions Act 2008 \(c. 16\)](#), s. 6(1), **Sch. 2**

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*Amount B (first case)*

- 6 (1) Amount B is to be calculated in accordance with this paragraph if the pensioner's employment was entirely employment qualifying him for a pension provided by a salary related contracted-out scheme or by a money purchase contracted-out scheme.
- (2) If there is an assumed surplus in the pensioner's earnings factor for the year—
- multiply the amount of the assumed surplus in accordance with the last order under section 148 of the Administration Act to come into force before the end of the final relevant year;
  - multiply the amount found under paragraph (a) above by the percentage specified in sub-paragraph (3) below.
- (3) The percentage is—
- 20 + N if the person attained pensionable age after the end of the first appointed year but before 6th April 2009;
  - 20 if the person attained pensionable age on or after 6th April 2009.

*Amount B (second case)*

- 7 (1) Amount B is to be calculated in accordance with this paragraph if the pensioner's employment was entirely employment qualifying him for a pension provided by an appropriate personal pension scheme.
- (2) If there is an assumed surplus in the pensioner's earnings factor for the year—
- calculate the part of the surplus for that year falling into each of the bands specified in the appropriate table below;
  - multiply the amount of each such part in accordance with the last order under section 148 of the Administration Act to come into force before the end of the final relevant year;
  - multiply each amount found under paragraph (b) above by the percentage specified in the appropriate table in relation to the appropriate band;
  - add together the amounts calculated under paragraph (c) above.
- (3) The appropriate table for persons attaining pensionable age after the end of the first appointed year but before 6th April 2009 is as follows—

Table 5

<i>Amount of surplus</i>		<i>Percentage</i>
Band 1.	Not exceeding LET	40 + 2N
Band 2.	Exceeding LET but not exceeding 3LET - 2QEF	10 + N/2
Band 3.	Exceeding 3LET - 2QEF	20 + N

- (4) The appropriate table for persons attaining pensionable age on or after 6th April 2009 [F5 where the tax year concerned falls before 2010-11] is as follows—

Table 6

<i>Amount of surplus</i>	<i>Percentage</i>
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Band 1.	Not exceeding LET	40
Band 2.	Exceeding LET but not exceeding 3LET - 2QEF	10
Band 3.	Exceeding 3LET - 2QEF	20

[ The appropriate table for persons attaining pensionable age on or after 6th April 2009 <sup>F6</sup>(4A) where the tax year concerned is 2010-11 or a subsequent tax year is as follows—

Table 6A

<i>Amount of surplus</i>		<i>Percentage</i>
Band 1	Not exceeding LET	40
Band 2	Exceeding LET <sup>F7</sup>	10]
...		

**Textual Amendments**

**F5** Words in Sch. 4A para. 7(4) inserted (26.9.2007) by [Pensions Act 2007 \(c. 22\)](#), **ss. 10(4)(a)**, 30(3)

**F6** Sch. 4A para. 7(4A) inserted (26.9.2007) by [Pensions Act 2007 \(c. 22\)](#), **ss. 10(4)(b)**, 30(3)

**F7** Words in Sch. 4A para. 7(4A) repealed (21.9.2008) by [National Insurance Contributions Act 2008 \(c. 16\)](#), s. 6(1), **Sch. 2**

*Interpretation*

- 8 (1) In this Part of this Schedule “salary related contracted-out scheme”, “money purchase contracted-out scheme” and “appropriate personal pension scheme” have the same meanings as in the Pension Schemes Act 1993.
- (2) For the purposes of this Part of this Schedule the assumed surplus in the pensioner’s earnings factor for the year is the surplus there would be in that factor for the year if section 48A(1) of the Pension Schemes Act 1993 (no primary Class 1 contributions deemed to be paid) did not apply in relation to any tax week falling in the year.
- (3) Section 44A above shall be ignored in applying section 44(6) above for the purpose of calculating amount B.
- (4) For the purposes of this Part of this Schedule—
- (a) the value of N is 0.5 for each tax year by which the tax year in which the pensioner attained pensionable age precedes 2009-10;
  - (b) “LET” means the low earnings threshold for that year as specified in section 44A above;
  - (c) “QEF” is the qualifying earnings factor for the tax year concerned.
  - <sup>F8</sup>(d) .....
- (5) In the calculation of “2QEF” the amount produced by doubling QEF shall be rounded to the nearest whole £100 (taking any amount of £50 as nearest to the previous whole £100).

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(6) In this Part of this Schedule “final relevant year” has the same meaning as in section 44 above.]

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**Textual Amendments**

**F8** Sch. 4A para. 8(4)(d) repealed (21.9.2008) by [National Insurance Contributions Act 2008 \(c. 16\), s. 6\(1\), Sch. 2](#)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act applied (with modifications) by [S.I. 2010/875 reg. 16Sch. 2](#) (This amendment not applied to [legislation.gov.uk](#). [S.I. 2010/875](#) revoked (27.8.2010) before coming into force by [S.I. 2010/1906](#), regs. 1(2), 2)
- Act restricted by [S.I. 1995/471 art. 32\(4\)](#)

**Whole provisions yet to be inserted into this Act (including any effects on those provisions):**

- Pt. 8ZA inserted by [2009 c. 24 s. 16\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). Ss. 16-21 repealed (1.4.2013) by 2012 c. 5, s. 73; [S.I. 2012/3090](#), art. 2(1)(b))
- Pt. 12ZE inserted by [2023 c. 20 Sch. para. 5](#)
- s. 4(1)(a)(viii) and word inserted by [2023 c. 20 Sch. para. 11\(b\)](#)
- s. 4C(5)(i)(j) repealed by [2007 c. 22 Sch. 4 para. 42\(3\)\(c\)Sch. 7 Pt. 7](#)
- s. 11A(1)(eb) inserted by [2021 c. 26 Sch. 27 para. 12](#) (This amendment not applied to [legislation.gov.uk](#). The existing section 11A of Act repealed by paragraph 4(1) of the Schedule to the National Insurance Contributions (Reduction in Rates) Act 2023 (c. 57))
- s. 30B(4)(aa) inserted by [2012 c. 5 Sch. 9 para. 4](#)
- s. 35(1)(e) and word inserted by [2012 c. 5 s. 63\(2\)\(a\)](#)
- s. 35(3)(za) inserted by [2012 c. 5 s. 63\(2\)\(b\)](#)
- s. 45(2A)(a) words substituted by [2011 c. 19 Sch. 3 para. 2\(3\)\(b\)](#)
- s. 45(2A)(b) substituted by [2011 c. 19 Sch. 3 para. 2\(3\)\(c\)](#)
- s. 46(5)(6) inserted by [2008 c. 30 Sch. 4 para. 6\(3\)](#) (This amendment not applied to [legislation.gov.uk](#). Sch. 4 para. 6(3) repealed (1.10.2014) without ever being in force by 2014 c. 19, Sch. 12 para. 96(c); [S.I. 2014/2377](#), art. 2(1)(a)(ii)(3)(c))
- s. 46(5)(a) words substituted by [2011 c. 19 Sch. 3 para. 3](#)
- s. 47(4A) inserted by [2008 c. 30 s. 102\(6\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 102 repealed (1.10.2014) without ever being in force by 2014 c. 19, Sch. 12 para. 96(a); [S.I. 2014/2377](#), art. 2(1)(a)(ii)(3)(c))
- s. 124(1)(ea) inserted by [2012 c. 5 s. 59\(2\)\(a\)](#)
- s. 124(1)(ga) inserted by [2009 c. 24 s. 5\(1\)\(a\)](#)
- s. 124(1C) inserted by [2012 c. 5 s. 59\(2\)\(b\)](#)
- s. 124(6A)(6B) inserted by [2009 c. 24 s. 5\(1\)\(b\)](#)
- s. 124A inserted by [2012 c. 5 s. 59\(3\)](#)
- s. 130C(2)(za) inserted by [2016 asp 19 Sch. 4 para. 5](#)
- s. 138(2A) inserted by [2009 c. 24 s. 17](#) (This amendment not applied to [legislation.gov.uk](#). Ss. 16-21 repealed (1.4.2013) by 2012 c. 5, s. 73; [S.I. 2012/3090](#), art. 2(1)(b))
- s. 138(2B) inserted by [2009 c. 24 s. 19\(2\)](#) (This amendment not applied to [legislation.gov.uk](#). Ss. 16-21 repealed (1.4.2013) by 2012 c. 5, s. 73; [S.I. 2012/3090](#), art. 2(1)(b))
- s. 140(4)(ca) inserted by [2009 c. 24 s. 19\(6\)](#) (This amendment not applied to [legislation.gov.uk](#). Ss. 16-21 repealed (1.4.2013) by 2012 c. 5, s. 73; [S.I. 2012/3090](#), art. 2(1)(b))
- s. 140(4A) inserted by [2009 c. 24 s. 19\(7\)](#) (This amendment not applied to [legislation.gov.uk](#). Ss. 16-21 repealed (1.4.2013) by 2012 c. 5, s. 73; [S.I. 2012/3090](#), art. 2(1)(b))
- s. 164(2)(aa) inserted by [2012 c. 5 s. 63\(3\)\(a\)](#)
- s. 164(9)(da) inserted by [2012 c. 5 s. 63\(3\)\(b\)](#)

- s. 171ZA(2)(ba) inserted by 2012 c. 5 s. 63(4)(a)
- s. 171ZA(3A) inserted by 2012 c. 5 s. 63(4)(b)
- s. 171ZB(2)(ba) inserted by 2012 c. 5 s. 63(5)(a)
- s. 171ZB(3A) inserted by 2012 c. 5 s. 63(5)(b)
- s. 171ZE(2A) inserted by 2014 c. 6 s. 123(3)(b)
- s. 171ZE(2B) inserted by 2014 c. 6 s. 123(3)(c)
- s. 171ZL(2)(ba) inserted by 2012 c. 5 s. 63(8)(a)
- s. 171ZL(8)(za) inserted by 2012 c. 5 s. 63(8)(c)
- s. 171ZEA(2)(ba) inserted by 2012 c. 5 s. 63(6)(a)
- s. 171ZEA(3)(za) inserted by 2012 c. 5 s. 63(6)(b)
- s. 171ZEB(2)(ba) inserted by 2012 c. 5 s. 63(7)(a)
- s. 171ZEB(3)(za) inserted by 2012 c. 5 s. 63(7)(b)
- s. 173A inserted by 2012 c. 5 s. 63(9)
- s. 176(3A) inserted by 2011 c. 19 Sch. 3 para. 5(2)
- Sch. 4 Pt. 1 para. 2A applied by S.I. 1995/310 reg. 18(1)(a)
- Sch. 4 Pt. 1 para. 6 power to amend conferred by 1992 c. 5 s. 154(2)(a)
- Sch. 4 Pt. 1 para. 2 repealed by 2007 c. 5 Sch. 8
- Sch. 4 Pt. 1 para. 2A repealed by 2007 c. 5 Sch. 8
- Sch. 4 Pt. 5 para. 7 power to amend conferred by 1992 c. 5 s. 154(2)(d)(e)
- Sch. 4 Pt. 5 para. 12 power to amend conferred by 1992 c. 5 s. 154(2)(d)(e)
- Sch. 4 Pt. 3 para. 1 power to amend conferred by 1992 c. 5 s. 150(3)(a)151
- Sch. 4 Pt. 3 para. 2 power to amend conferred by 1992 c. 5 s. 150(3)(a)151
- Sch. 4 Pt. 3 para. 4 power to amend conferred by 1992 c. 5 s. 150(3)(a)151
- Sch. 4 Pt. 3 para. 5 power to amend conferred by 1992 c. 5 s. 150(3)(a)151
- Sch. 4 Pt. 3 para. 6 power to amend conferred by 1992 c. 5 s. 150(3)(a)151
- Sch. 4 Pt. 4 para. 2 applied by S.I. 1995/310 reg. 15(7)
- Sch. 4 Pt. 4 para. 1A repealed by 2007 c. 5 Sch. 8
- Sch. 4 Pt. 4 para. 2 repealed by 2007 c. 5 Sch. 8
- Sch. 4B para. 1(1)(a)para. 1(1)(b)(2) words inserted by 2011 c. 19 Sch. 3 para. 6(2)(b)
- Sch. 4C inserted by 2008 c. 30 s. 102(5)Sch. 3 (This amendment not applied to legislation.gov.uk. S. 102, Sch. 3 repealed (1.10.2014) without ever being in force by 2014 c. 19, Sch. 12 para. 96(a)(b); S.I. 2014/2377, art. 2(1)(a)(ii)(3)(c))
- Sch. 4C para. 7(2)(c) inserted by 2011 c. 19 Sch. 3 para. 7(7)(b)
- Sch. 4C para. 7(3) inserted by 2011 c. 19 Sch. 3 para. 7(8)
- Sch. 4C para. 3 omitted by 2011 c. 19 Sch. 3 para. 7(3)
- Sch. 4C para. 7(2)(b) words inserted by 2011 c. 19 Sch. 3 para. 7(7)(a)
- Sch. 4C para. 1 words substituted by 2011 c. 19 Sch. 3 para. 7(2)
- Sch. 4C para. 2 words substituted by 2011 c. 19 Sch. 3 para. 7(2)
- Sch. 4C para. 5(b) words substituted by 2011 c. 19 Sch. 3 para. 7(4)
- Sch. 4C para. 6 words substituted by 2011 c. 19 Sch. 3 para. 7(5)
- Sch. 4C para. 7(1) words substituted by 2011 c. 19 Sch. 3 para. 7(4)
- Sch. 4C para. 7(1) words substituted by 2011 c. 19 Sch. 3 para. 7(6)
- Sch. 11 para. 2(i) inserted by 2012 c. 5 s. 63(10)(a)
- Sch. 11 para. 9 inserted by 2012 c. 5 s. 63(10)(b)