



Social Security Contributions and Benefits Act 1992

1992 CHAPTER 4

PART I

CONTRIBUTIONS

Class 1A contributions

[^{F1}10 Class 1A contributions ^{F2}...

(1) Where—

- [^{F3}(a) for any tax year an earner is chargeable to income tax under ITEPA 2003 on an amount of general earnings received by him from any employment (“the relevant employment”),]
- [^{F4}(b) the relevant employment is both—
 - (i) employed earner’s employment, and
 - (ii) an employment, other than [^{F5}lower-paid employment as a minister of religion], within the meaning of the benefits code (see Chapter 2 of Part 3 of ITEPA 2003),] and
- (c) the whole or a part of the [^{F6}general earnings] falls, for the purposes of Class 1 contributions, to be left out of account in the computation of the earnings paid to or for the benefit of the earner,

a Class 1A contribution shall be payable for that tax year, in accordance with this section, in respect of that earner and so much of the [^{F7}general earnings] as falls to be so left out of account.

[^{F8}(1A) A Class 1A contribution is payable for a tax year, in accordance with this section, in respect of an earner and the amount of a termination award if and so far as—

- (a) that amount counts as employment income of the earner under section 403 of ITEPA 2003 (charge on termination payments or benefits), and

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- (b) the earner is chargeable to income tax on that amount for the tax year by virtue of that section.
- (1B) No Class 1A contribution is payable under subsection (1A) in respect of an amount so far as it is an amount of earnings in respect of which Class 1 contributions are payable.
- (1C) No Class 1A contribution is payable under subsection (1A) unless the employment which is terminated is employed earner's employment.]
- (2) Subject to [F⁹sections 10ZA and 10ZBA], a Class 1A contribution [F¹⁰payable under subsection (1)] for any tax year shall be payable by—
- (a) the person who is liable to pay the secondary Class 1 contribution relating to the last (or only) relevant payment of earnings in that tax year in relation to which there is a liability to pay such a Class 1 contribution; or
 - (b) if paragraph (a) above does not apply, the person who, if the [F¹¹general earnings] in respect of which the Class 1A contribution is payable were earnings in respect of which Class 1 contributions would be payable, would be liable to pay the secondary Class 1 contribution.
- (3) In subsection (2) above “relevant payment of earnings” means a payment which for the purposes of Class 1 contributions is a payment of earnings made to or for the benefit of the earner in respect of the relevant employment.
- [F¹²(3A) A Class 1A contribution payable under subsection (1A) is payable by the person who, if the amount in respect of which the Class 1A contribution is payable were earnings in respect of which Class 1 contributions would be payable, would be liable to pay the secondary Class 1 contribution.]
- (4) The amount of the Class 1A contribution [F¹³payable under subsection (1)] in respect of any [F¹⁴general earnings] shall be the Class 1A percentage of so much of [F¹⁵them] as falls to be left out of account as mentioned in subsection (1)(c) above.
- [F¹⁶(4A) The amount of the Class 1A contribution payable under subsection (1A) in respect of an amount is the Class 1A percentage of that amount.]
- (5) In [F¹⁷subsections (4) and (4A)] above “the Class 1A percentage” means a percentage rate equal to the [F¹⁸secondary percentage] for the tax year in question.
- (6) No Class 1A contribution shall be payable for any tax year in respect of so much of any [F¹⁹general earnings as are taken] for the purposes of the making of Class 1B contributions for that year to be included in a PAYE settlement agreement.
- [F²⁰(7) In calculating for the purposes of this section the amount of general earnings received by an earner from an employment, a deduction under any of the excluded provisions is to be disregarded.

This subsection does not apply in relation to a deduction if subsection (7A) applies in relation to it.

(7A) Where—

- (a) a deduction in respect of a matter is allowed under an excluded provision, and
- (b) the amount deductible is at least equal to the whole of any corresponding amount which would (but for this section) fall by reference to that matter to be included in the general earnings mentioned in subsection (7),

the whole of the corresponding amount shall be treated as not included.

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- (7B) For the purposes of subsections (7) and (7A) “excluded provision” means—
- (a) any provision of Chapter 2 of Part 5 of ITEPA 2003 (deductions for employee’s expenses), other than section 352 (limited deduction for agency fees paid by entertainers), ^{F21}...
 - ^{F22}(aa) any of sections 363 to 365 of ITEPA 2003 (certain deductions from benefits code earnings), or]
 - (b) any provision of Chapter 5 of Part 5 of ITEPA 2003 (deductions for earnings representing benefits or reimbursed expenses).]
- (8) The Treasury may by regulations—
- ^{F23}(a) modify the effect of subsections (7) and (7A) above by amending subsection (7B) so as to include any enactment contained in the Income Tax Acts within the meaning of “excluded provision”; or]
 - (b) make such amendments of ^{F24}subsections (7) to (7B)] above as appear to them to be necessary or expedient in consequence of any alteration of the provisions of the Income Tax Acts relating to the charge to tax ^{F25}on employment income].
- (9) The Treasury may by regulations provide—
- (a) for Class 1A contributions not to be payable, in prescribed circumstances, by prescribed persons or in respect of prescribed persons ^{F26}, general earnings or termination awards];
 - (b) for reducing Class 1A contributions in prescribed circumstances.
- ^{F27}(10)
- ^{F28}(11) The Treasury may by regulations modify the law relating to Class 1A contributions in the case of an employed earner’s employment which is treated as existing by virtue of regulations under section 4AA.]
- ^{F29}(12) In this section “termination award” means a payment or benefit received by an earner (or an earner’s spouse, civil partner, blood relative or dependant) in connection with the termination of the earner’s employment.]]

Textual Amendments

- F1** S. 10 substituted (with effect in relation to the tax year beginning with 6.4.2000 and subsequent tax years) by [Child Support, Pensions and Social Security Act 2000 \(c. 19\)](#), **ss. 74(2)**, 86 (with s. 74(8))
- F2** Words in s. 10 heading omitted (6.4.2020 subject to transitional provisions in reg. 2 of the commencing S.I.) by virtue of [National Insurance Contributions \(Termination Awards and Sporting Testimonials\) Act 2019 \(c. 23\)](#), **ss. 1(10)**, 5(3); S.I. 2020/285, reg. 2
- F3** S. 10(1)(a) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, **Sch. 6 para. 174(2)** (with Sch. 7)
- F4** S. 10(1)(b) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, **Sch. 6 para. 174(3)** (with Sch. 7)
- F5** Words in s. 10(1)(b)(ii) substituted (with effect for the tax year 2016-17 and subsequent tax years in accordance with s. 13(4) of the amending Act) by [Finance Act 2015 \(c. 11\)](#), **Sch. 1 para. 23(2)**
- F6** Words in s. 10(1)(c) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, **Sch. 6 para. 174(4)** (with Sch. 7)
- F7** Words in s. 10(1) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, **Sch. 6 para. 174(5)** (with Sch. 7)

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- F8** S. 10(1A)-(1C) inserted (6.4.2020 subject to transitional provisions in reg. 2 of the commencing S.I.) by National Insurance Contributions (Termination Awards and Sporting Testimonials) Act 2019 (c. 23), **ss. 1(2), 5(3)**; S.I. 2020/285, reg. 2
- F9** Words in s. 10(2) substituted (6.4.2020 subject to transitional provisions in reg. 3 of the commencing S.I.) by National Insurance Contributions (Termination Awards and Sporting Testimonials) Act 2019 (c. 23), **ss. 3(2), 5(3)**; S.I. 2020/285, reg. 3
- F10** Words in s. 10(2) inserted (6.4.2020 subject to transitional provisions in reg. 2 of the commencing S.I.) by National Insurance Contributions (Termination Awards and Sporting Testimonials) Act 2019 (c. 23), **ss. 1(3), 5(3)**; S.I. 2020/285, reg. 2
- F11** Words in s. 10(2)(b) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, **Sch. 6 para. 174(6)** (with Sch. 7)
- F12** S. 10(3A) inserted (6.4.2020 subject to transitional provisions in reg. 2 of the commencing S.I.) by National Insurance Contributions (Termination Awards and Sporting Testimonials) Act 2019 (c. 23), **ss. 1(4), 5(3)**; S.I. 2020/285, reg. 2
- F13** Words in s. 10(4) inserted (6.4.2020 subject to transitional provisions in reg. 2 of the commencing S.I.) by National Insurance Contributions (Termination Awards and Sporting Testimonials) Act 2019 (c. 23), **ss. 1(5), 5(3)**; S.I. 2020/285, reg. 2
- F14** Words in s. 10(4) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, **Sch. 6 para. 174(7)(a)** (with Sch. 7)
- F15** Word in s. 10(4) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, **Sch. 6 para. 174(7)(b)** (with Sch. 7)
- F16** S. 10(4A) inserted (6.4.2020 subject to transitional provisions in reg. 2 of the commencing S.I.) by National Insurance Contributions (Termination Awards and Sporting Testimonials) Act 2019 (c. 23), **ss. 1(6), 5(3)**; S.I. 2020/285, reg. 2
- F17** Words in s. 10(5) substituted (6.4.2020 subject to transitional provisions in reg. 2 of the commencing S.I.) by National Insurance Contributions (Termination Awards and Sporting Testimonials) Act 2019 (c. 23), **ss. 1(7), 5(3)**; S.I. 2020/285, reg. 2
- F18** Words in s. 10(5) substituted (with effect in relation to the tax year 2003-04 and subsequent tax years) by National Insurance Contributions Act 2002 (c. 19), s. 8(2), **Sch. 1 para. 2**
- F19** Words in s. 10(6) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, **Sch. 6 para. 174(8)** (with Sch. 7)
- F20** S. 10(7)-(7B) substituted for s. 10(7) (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, **Sch. 6 para. 174(9)** (with Sch. 7)
- F21** Word in s. 10(7B)(a) omitted (5.4.2007 with effect in relation to the tax year beginning on 6.4.2006 and subsequent tax years) by virtue of The Social Security Contributions and Benefits Act 1992 (Modification of Section 10(7B)) Regulations 2007 (S.I. 2007/799), regs. 1, **2(a)**
- F22** S. 10(7B)(aa) inserted (5.4.2007 with effect in relation to the tax year beginning on 6.4.2006 and subsequent tax years) by The Social Security Contributions and Benefits Act 1992 (Modification of Section 10(7B)) Regulations 2007 (S.I. 2007/799), regs. 1, **2(b)**
- F23** S. 10(8)(a) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, **Sch. 6 para. 174(10)** (with Sch. 7)
- F24** Words in s. 10(8)(b) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, **Sch. 6 para. 174(11)(a)** (with Sch. 7)
- F25** Words in s. 10(8)(b) substituted (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, **Sch. 6 para. 174(11)(b)** (with Sch. 7)

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- F26** Words in s. 10(9)(a) substituted (6.4.2020 subject to transitional provisions in reg. 2 of the commencing S.I.) by [National Insurance Contributions \(Termination Awards and Sporting Testimonials\) Act 2019 \(c. 23\), ss. 1\(8\), 5\(3\); S.I. 2020/285, reg. 2](#)
- F27** S. 10(10) repealed (6.4.2003 with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723, Sch. 6 para. 174\(13\), Sch. 8 Pt. 1 \(with Sch. 7\)](#)
- F28** S. 10(11) inserted (13.3.2014) by [National Insurance Contributions Act 2014 \(c. 7\), s. 14\(4\)](#)
- F29** S. 10(12) inserted (6.4.2020 subject to transitional provisions in reg. 2 of the commencing S.I.) by [National Insurance Contributions \(Termination Awards and Sporting Testimonials\) Act 2019 \(c. 23\), ss. 1\(9\), 5\(3\); S.I. 2020/285, reg. 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. 1(6)(aa) inserted by [S.I. 2024/377 reg. 5\(1\)](#)
- 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(eb) inserted by [2021 c. 26 Sch. 27 para. 12](#)
- s. 16(1)(f) and word inserted by [2021 c. 26 Sch. 27 para. 13](#)
- 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. 3 para. 5 sum substituted by S.I. 2024/247 reg. 6
- 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)