



# Social Security (Contributions) Act 1994

## 1994 CHAPTER 1

An Act to increase primary Class 1 contributions payable under the Social Security Contributions and Benefits Act 1992; to correct the provisions as to the appropriate national health service allocation in the case of such contributions; to clarify what reliefs are to be taken into account in assessing Class 4 contributions; and for connected purposes. [10th February 1994]

**B**E IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1.—(1) In section 8 of the Social Security Contributions and Benefits Act 1992 (calculation of primary Class 1 contributions), in subsection (2)(b) (by virtue of which the main primary percentage is 9 per cent.) for “9 per cent.” substitute “10 per cent.”.

Increase in  
primary Class 1  
contributions.  
1992 c. 4.

(2) The above amendment comes into effect on 6th April 1994.

2.—(1) In section 162(5) of the Social Security Administration Act 1992 (destination of contributions: national health service allocation), in paragraph (a) (allocation in case of primary Class 1 contributions) for the words from “the earnings” to the end substitute “so much of the earnings in respect of which those contributions were paid as exceeded the lower earnings limit but did not exceed the upper earnings limit;”.

National health  
service allocation.  
1992 c. 5.

(2) After subsection (6) of that section insert—

“(6A) In the case of earners paid other than weekly, the reference in paragraph (a) of subsection (5) above to the lower or upper earnings limit shall be taken as a reference to the equivalent of that limit prescribed under section 8(3) of the Contributions and Benefits Act.”.

1975 c. 14.  
1989 c. 24.

(3) The above amendments shall be deemed to have had effect as from the commencement of the 1992 Act; and corresponding amendments to section 134 of the Social Security Act 1975 shall be deemed to have had effect as from the commencement of section 1 of the Social Security Act 1989.

Reliefs available  
in calculating  
Class 4  
contributions.  
1992 c. 4.  
1992 c. 7.

3.—(1) In paragraph 3(2) of Schedule 2 to the Social Security Contributions and Benefits Act 1992 and the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (computation of profits or gains for purposes of Class 4 contributions: reliefs which do not apply)—

(a) at the end of paragraph (e), omit “and”; and

(b) after paragraph (f) insert—

“and

(g) section 639 (personal pension contributions).”.

1975 c. 15.  
1987 c. 51.

(2) The above amendments shall be deemed to have had effect as from the commencement of those Acts; and corresponding amendments to paragraph 3(2) of Schedule 2 to the Social Security Act 1975 and the Social Security (Northern Ireland) Act 1975 shall be deemed to have had effect as from the commencement of section 31 of the Finance (No. 2) Act 1987 (deduction of personal pension contributions from relevant earnings).

Corresponding  
provision for  
Northern Ireland.  
1974 c. 28.

4. An Order in Council under paragraph 1(1)(b) of Schedule 1 to the Northern Ireland Act 1974 (legislation for Northern Ireland in the interim period) which states that it is made only for purposes corresponding to those of section 1 or 2 of this Act—

(a) shall not be subject to paragraph 1(4) and (5) of that Schedule (affirmative resolution of both Houses of Parliament), but

(b) shall be subject to annulment in pursuance of a resolution of either House of Parliament.

Short title and  
extent.

5.—(1) This Act may be cited as the Social Security (Contributions) Act 1994.

(2) Sections 3 and 4 and this section extend to Northern Ireland, but otherwise this Act does not extend there.

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