



Social Security Act 1998

1998 CHAPTER 14

PART II

CONTRIBUTIONS

Amendments of Administration Act

61 Offences and penalties relating to contributions

[^{F1}For section 114 of the Administration Act there shall be substituted the following sections—

“Offences relating to contributions

- (1) Any person who is knowingly concerned in the fraudulent evasion of any contributions which he or any other person is liable to pay shall be guilty of an offence.
- (2) A person guilty of an offence under this section shall be liable—
 - (a) on conviction on indictment, to imprisonment for a term not exceeding seven years or to a fine or to both;
 - (b) on summary conviction, to a fine not exceeding the statutory maximum.

Penalties relating to contributions

- (1) If a person fails to pay, at or within the time prescribed for the purpose, any contribution which he is liable to pay, he shall be liable to a penalty.
- (2) If a person fails to pay, at or within the time prescribed for the purpose, any sums which he is required by regulations made by virtue of paragraph 6 or 7B of Schedule 1 to the Contributions and Benefits Act to pay, he shall be liable to a penalty under subsection (1) above without proof of his failure so to pay any particular contribution.

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- (3) For the purposes of subsection (1) above, regulations shall—
- (a) prescribe the amount or rate of penalty, or provide for how it is to be ascertained;
 - (b) provide for the penalty to be imposed by the Secretary of State—
 - (i) within six years after the date on which the penalty is incurred; or
 - (ii) where the amount of the penalty is to be ascertained by reference to the amount of any contributions payable, at any later time within three years after the final determination of the amount of those contributions;
 - (c) provide for determining the date on which, for the purposes of paragraph (b) above, the penalty is incurred;
 - (d) prescribe the means by which the penalty is to be enforced; and
 - (e) provide for enabling the Secretary of State, in his discretion, to mitigate or to remit any such penalty, or to stay or to compound any proceedings for a penalty.
- (4) Subsection (1) above does not apply—
- (a) to any failure by a person in respect of which he has been convicted of an offence under section 114(1) above; or
 - (b) to Class 4 contributions recoverable by the Inland Revenue.”]

Textual Amendments

- F1** S. 61 repealed (so far as relating to Social Security Administration Act 1992, s. 114A) (1.4.1999) by [Social Security Contributions \(Transfer of Functions, etc.\) Act 1999 \(c. 2\), s. 28\(3\), Sch. 10 Pt. I](#) (with [Sch. 8](#)); [S.I. 1999/527](#), art. 2(b), [Sch. 2](#) (with arts. 3-6)

Commencement Information

- II** S. 61 in force at 4.3.1999 for specified purposes and 6.4.1999 for specified purposes by [S.I. 1999/526](#), [art. 2\(1\)\(2\)\(e\)](#)

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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. 2010/1907 reg. 16\(2\)\(c\)Sch. 2](#)
- 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 modified by [S.S.I. 2024/62 art. 2](#)
- Act modified by [S.I. 2024/149 art. 2](#)
- Act power to apply (with modifications) conferred by [2004 c. 6 s. 24\(5\)-\(7\)](#)

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

- s. 38(1A) inserted by [2009 c. 24 s. 20\(2\)](#) (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))
- Sch. 2 para. 7A and cross-head inserted by [2012 c. 5 Sch. 2 para. 50\(3\)](#)
- Sch. 18 functions modified by [S.I. 2000/2853 reg. 3\(1\)Sch. 2 para. 4](#)
- Sch. 24 functions modified by [S.I. 2000/2853 reg. 3\(1\)Sch. 2 para. 5](#)